

Israeli Troops Will Not Halt Use of Deadly Force in Gaza

By Joanne Omang Washington Post Staff Writer WASHINGTON — Israel will continue to use lethal force against Palestinian rioters even as Israeli leaders push for international peace negotiations, two Israeli cabinet members said Sunday.

adding, "We'll try to reduce it to the minimum." Mr. Peres said he would describe the shooting as "an accident, not as a policy."

tailed defense of conditions at military prisons in the West Bank. Trials have begun in five military courts for dozens of those detained.



Afghan Refugees in Pakistan Remember an Anniversary Afghan refugees in Karachi, Pakistan, chanted anti-Soviet slogans Sunday and prepared to hang an effigy of the Soviet leader, Mikhail S. Gorbachev, during a rally on the eighth anniversary of Moscow's intervention in the Afghan war.

Fahd Says Iran Sows Discord

Tehran Reveals It Is Producing Chemical Arms

By Alan Cowell New York Times Service CAIRO — Saudi Arabia accused Iran on Sunday of seeking to export and impose alien ideologies on fellow Muslim nations in the Arab world to the detriment of the Arab campaign against Israel.

He said that the Israeli public is increasingly ready for negotiations even as it backs its troops. "The problem really for the time being," he said, "is not what will be the permanent settlement but what will be the first step."

Israeli troops have killed at least 21 protesters, wounded nearly 200 and arrested more than 1,000 since Dec. 9, when demonstrations began against Israel's occupation of the Gaza Strip and the West Bank of the Jordan River.

The United States has opposed deportations. Sources said that American diplomats had discussed the matter with Israeli officials and noted that international criticism of Israel, already high, would only increase if deportations were ordered.

U.S. Navy Is Still Seeking Right Formula in the Gulf

By John H. Cushman Jr. New York Times Service

MANAMA, Bahrain — Five months after the United States began to expand its military operations in the Gulf, the U.S. Navy is continuing to grope for the formula that will let it escort ships through the war zone with maximum safety and minimum force.

Virtually every military officer, politician, diplomat and government official interviewed during a three-week visit to the region, which included time aboard six U.S. warships, said that the international involvement in the shipping war between Iran and Iraq had provided some protection to merchant ships.

A Bahraini government minister, summing up the situation facing U.S. forces in the region, used terms that reflected the views of the Reagan administration.

Klosk Hungary Eases Rules on Travel

BUDAPEST (Reuters) — Hungary announced more liberal travel regulations on Sunday and an amnesty for Hungarians holding hard currency illegally, the news agency MTI reported.

Detainees Go on Trial

Earlier, Glenn Frankel of The Washington Post reported from Jerusalem: Palestinians involved in the protests appeared before Israel's military justice system on Sunday, with lawyers representing Arab detainees charging that their clients have been beaten, mistreated and denied fair trials.

Palatians awaiting the verdicts Sunday in trials for youths arrested by Israelis.

Palatians awaiting the verdicts Sunday in trials for youths arrested by Israelis.

Palatians awaiting the verdicts Sunday in trials for youths arrested by Israelis.

Palatians awaiting the verdicts Sunday in trials for youths arrested by Israelis.

Palatians awaiting the verdicts Sunday in trials for youths arrested by Israelis.

MONDAY Q&A



Jan Carlson, president of the airline SAS, discusses merger plans and industry deregulation. Page 9.

INSIDE

NERAL NEWS The crusade of Alice Lakwiza, a priestess who once led bands of Ugandans, may be an end. Page 2. Robertson said when he a minister that he believed devout Christians and should govern. Page 3. Soviet Union said it has 50,000 tons of chemical weapons in its arsenal. Page 3. Let 25 were killed in a riot in a market in Battambang, Cambodia. Page 6. ESS/FINANCE U.S. surplus on its widest of trade narrowed. Page 7. Syrian businessman was freed and extradited to Israel after being freed from prison. Page 7. Do: The boys killed the Cardinals playoff hopes with 1.63 runs. Page 13.

Strauss's Soviet Visit Points to Thaw

By Serge Schmemmann New York Times Service BONN — The visit of Franz Josef Strauss, the conservative leader of Bavaria, to Moscow this week and the announcement that the Soviet foreign minister will come to Bonn next month appear to herald a Soviet diplomatic initiative toward West Germany.

By Mikhail S. Gorbachev, the Soviet leader, reviving a relationship soured by the politics of arms control and stymied by a diplomatic blunder by Chancellor Helmut Kohl.

Mr. Strauss, 72, is expected to pilot his own twin-engine Cessna to Moscow, inevitably raising comparisons with the unauthorized flight May 25 into Red Square of a countryman, Matthias Rust, Mr. Strauss, 19, is in a Soviet penal camp.

Civil War Tightens Grip on Angola

By James Brooke New York Times Service LUANDA, Angola — The Angolan civil war, 12 years old and with no end in sight, continues to stunt the growth of this potentially rich land.

The loss of roads is reflected in air travel statistics. Since 1973, the number of domestic air passengers has quadrupled and the amount of air cargo has increased eightfold.

In October, a cargo plane of the International Committee of the Red Cross crashed near Huambo, killing eight persons aboard. Because of that, Red Cross officials suspended a feeding program for 100,000 people. They say they are unsure if they will resume it.

Handwritten signature or initials in the bottom left corner.



As Russians prepare for traditional New Year's Day celebrations, a young customer eyes tree ornaments at a department store in Moscow called Children's World (Detsky Mir).



## For a Ugandan Priestess, a Bloody Crusade Nears Its End

By Sheila Rule  
New York Times Service

NAIROBI — The words of a self-styled priestess in Uganda appeared to represent a balm to people queezed by poverty, tribalism and bloodstained political volatility. "I am poor and needy," Alice Lakwena told peasants, associating herself with their miseries. "I am hurt to the depths of my heart. Like an evening shadow, I allow about to vanish. I am blown away like an insect. My knees are weak from lack of food."

"Make my enemies know that you are the one who saves me," the 27-year-old woman beseeched God. "They may kill me but you will bless me. May my persecutors be defeated."

Over the last year, Miss Lakwena led many hundreds of barefoot followers, armed with stones, sticks and supposedly magical oils, to their deaths in a rebel war. Their foe was the well-armed National Resistance Army, led by the head of state, Yoweri Museveni, who took power after a military victory in January 1986.

Miss Lakwena's movement, which she reportedly viewed as a religious crusade to rid Uganda and the rest of the world of evil, is now virtually destroyed. Witnesses say the rebel leader is wounded and, with a rusty arrow through her neck, is being pushed through the bush on a bicycle by a handful of loyal followers.

She is said to be about 140 miles (225 kilometers) northeast of Kampala, the capital, which she once vowed to capture before taking her mission to South Africa and Sudan.

Up to 6,000 peasants, soldiers from previous governments and other disaffected Ugandans journeyed hundreds of miles with Miss Lakwena, whose name means messiah in her Acholi tribal language.

Accounts by captured rebels and the journals they kept, which the Ugandan government made available to reporters, revealed how her movement, the Holy Spirit Movement, mobilized hopes.

The entries, written by scribes ordered to record Miss Lakwena's sayings, military commands and magic potions, also offered insights into the realities of a nation shaken for years by gross misgovernment, brutal violations of human rights and endemic tribal, ethnic and political conflicts.

In and out of battle, the Holy Spirit followers were to abide by strict codes of conduct. They were to "listen to Lakwena only." They were not to smoke, drink, have sex, steal or take cover while fighting. They were never to eat with any non-Christian and were not to kill snakes, which were viewed as important when Judgment Day came.

The priestess, sometimes called "Mommy" by her followers, also appealed to deeply rooted tribalism.

Miss Lakwena was born Alice Auma in the northern district of Gulu, the daughter of an Anglican catechist. She converted to Roman Catholicism and became a self-described herbalist and traditional healer.

Followers said she was possessed by several spirits, including those of an Arab, a North Korean and one called a "wrong element," a demon so fierce that it would lead Miss Lakwena to order the execution of anyone who coughed while she was talking.

But the dominant supernatural force was "Lakwena," through which the priestess was believed to receive messages from God. Diaries said the spirit was that of a former Italian Army officer who drowned at 95 and was a "God-fearing and disciplined person."

Such professed powers had great appeal among many of Uganda's deeply religious and superstitious peasants.

Miss Lakwena said that "His Holiness Lakwena" told her that Uganda had to be rid of "bad people," including those among her own forces. Some former rebels told reporters that they were fighting not against Mr. Museveni but for God.

"We were fighting for judgment," said Mosco Opira, 23, after his capture. "The judgment is on both sides. When people died after battle, Lakwena would say it was their fault. Whoever dies is a sinner."

Miss Lakwena quickly gathered followers, forcing some to join under threat of death, government officials and captured rebels said. Spurred by her mixture of Christianity, traditional African beliefs and promise of peace, bare-chested rebels ran into battle singing hymns and clapping.

Their bodies were smeared with what they were told was magical oil that would make enemy bullets kill those who fired them. They threw stones that they believed would explode like grenades.

Most of her followers were northern Acholis, who dominated the army before Mr. Museveni's predominantly southern forces seized Kampala.

Haunted by Uganda's violent history, peasants believed that Mr. Museveni would move to massacre the Northerners. Rights groups and others have accused government soldiers of violating human rights in the North.



Alice Lakwena, center, with followers at a camp east of the Ugandan city of Jinja. The photo was taken in October, before she reportedly was hurt in a clash with Ugandan troops.

With the loss of control over the army, the Acholis lost the remnants that soldiers sent home to support the region's economy. At the same time, cattle raiders from the East carried out violent attacks on the peasants, many of whom believed the raids were supported by the government.

For these people with few options, hope was found in a woman who promised them salvation.

## Tribeswoman Conquers Skeptics In Manila but Finds City a Pain

By Seth Mydans  
New York Times Service

MANILA — Dula, the first member of the primitive Tasaday tribe known to have visited a big city, has spent much of her time in the Philippine capital sitting on her bed waiting to go home again, her belongings packed and ready.

"People are so different here. I cannot understand them," she said in an interview before her departure for home.

"It's very nice here, but it's better in our place," she said. "It's quieter."

Dula is a member of an isolated group of cave dwellers discovered by anthropologists in 1971. A slight and graceful woman of about 40, she spoke quietly, almost inaudibly. Her remarks were translated from the Tasaday dialect to the tribal tongue of "Fboli to English, through two translators.

In a dispute that has involved political, business and academic rivalries, she had come to Manila to prove that she was a genuine Tasaday tribeswoman.

At a congressional hearing during her weeklong visit, she said she had been coerced into stating at an earlier hearing near her home on southern Mindanao island that she was not a true Tasaday.

After her testimony in Manila, and the statements of several anthropologists and other experts, the skeptics appeared to be in retreat.

Dula said that her visit had been disorienting. Asked to describe her reaction to the city, she said, "I do not feel very happy inside myself. It is very painful in the heart."

When the 26 original Tasaday were discovered deep in the rain forests of Mindanao, scholars described them as a group of food gatherers who used stone tools, dressed in leaves and had no agriculture.

The Tasaday, they said, had no weapons, and their language, a distinct dialect related to other tribal tongues, appeared to have no words for enemy, war or anger.

They also had no word for the ocean, only 50 miles (80 kilometers) away. And they apparently believed that they and neighboring groups in the forest were the only people on Earth.

Dula, barefoot, was dressed in layers of bright clothing with strings of colored beads around her throat, bangles in her ears, metal bracelets on her arms and a plastic comb in her hair.

She had blackened her teeth, and her lips were daubed with lipstick. Her finery came from the more advanced T'boli tribe, with whom the Tasaday have intermarried since the outside world intruded.

Dula now lives with the T'boli outside the forest.

Her husband, a T'boli tribesman named Banas, sat quietly beside her during the interview, watching with what seemed like pride as his wife answered the questions of a foreigner.

Her marriage, her bright clothing and her visit to Manila are signs of the changes that have affected the Tasaday since it was touched by the outside world.

Even Dula's relatives, whom she said she sometimes visits in the forest, now wear cloth garments and are reported to be learning the rudiments of trapping and planting.

Asked whether she preferred her old or new way of life, Dula said, "It has not been so much different. We like the way we were before; we like the way we are today."

Asked what she would like to take home with her when she returned from Manila, she said, "I want to take Momo Dakel."

Momo Dakel is the name used by the Tasaday for Manuel Elizalde Jr., who protected the group after its discovery. His disappearance from the Philippines in 1983 led rumors that he had either conspired or exploited the existence of the Tasaday for his own profit.

Mr. Elizalde, the son of a wealthy Philippine family, denies the accusations. As head of Panamin, a tribal-protection agency, he helped the Tasaday secure a protected zone that covers miles of forest coveted by loggers and miners.

He is back in Manila now, battling to retain control of his business interests and to protect his reputation and that of the tribe.

Dula, like the other Tasaday, came to view him as something of a deity. Researchers reported that the forest-dwellers believed that someone from the outside world would one day come to help them.

Dula, her husband and the two translators who accompanied her to Manila have stayed in Mr. Elizalde's mansion, where the living room opens onto an indoor roller-skating rink.

Servants in white uniforms bring them drinks on a tray, and they watch videotapes of Dula's congressional testimony on a color television set.

But Mr. Elizalde said Dula had shown no interest in seeing more of Manila than she did on her trip to and from the congressional hearing.

"She has declined any kind of excursion to town or to go shopping," he said. "She doesn't know what shopping is."

For the most part, Dula and her companions have kept to themselves, leery of strangers and of the noise of the big city.

"We would prefer to lie down and chat among themselves and chew betel nut and sleep," said Helen Mahundo, an anthropological field worker, after the interview.

She said that Dula was "sitting on her bed now, with all her bags, ready to go at any time."

Four were treated in the hospital and five others returned to their ships, the destroyer Bery and the frigate Thorn, which are on a Christmas call at Spain's biggest port.

Two Catalan separatist organizations, Terra Lliure (Free Land) and the little-known Catalan Red Liberation Army, telephoned news media to claim responsibility for the attack.

ERCA, which has said it bombed the U.S. consulate and offices of U.S. companies Hewlett-Packard and General Electric in Barcelona earlier this year, later asked Terra Lliure to withdraw its claim for the attack.

Police said they had no evidence that the claims were authentic. The U.S. Embassy said there was no clear indication of who was responsible.

Police investigated a report that a man, described as an Arab or a person of mixed-race, ran off after the attack.

They said two grenades hurled into the bar were Italian or American-made but provided no clue. Residents said anti-American slogans were daubed recently on walls near the bar.

Local officials would not rule out a link between the attack and dead-end talks on reducing the U.S. military presence in Spain.



A DISTURBANCE IN SEOUL — A demonstrator hurling a gasoline bomb Sunday at a riot police bus during a demonstration against the victory by the government party's presidential candidate in recent elections. Policemen broke up the protest with tear gas.

## In First, Nude Painting and Abstract Win Awards at a Chinese Exhibition

By Daniel Southerland  
Washington Post Service

SHANGHAI — For the first time in China, judges at a national art exhibition have awarded a prize to a nude painting.

An abstract painting also won one of the 15 prizes at the exhibition, which opened here last week.

Nude and abstract paintings have caused controversy in China for decades.

Only in recent years could Chinese artists openly exhibit paintings of nudes.

As recently as last year, officials sometimes barred nudes from exhibitions or removed them from the walls.

The nude painting that won the award, titled "The Earth," depicts a woman and a man lying parallel on cloth pallets. The woman is facing upward and the man downward. The painting conveys a tranquil, ethereal quality.

"Although 'The Earth' is not perfect in its proportion and composition, it gives us a sense of purity with a simple, implicit style," Ge Weimo, an exhibition judge and member of the secretariat of the Chinese Artists Association, told

the official China Daily newspaper. The award seems to reflect a more relaxed atmosphere following a Communist Party congress in late October. The congress led to the retirement of two leading party ideologists who favored strict controls over art and literature.

But it is unclear how far this apparent relaxation will go.

Only a few weeks before the party congress, police prevented a Beijing painter from exhibiting his work in a city street.

A well-known young artist who paints nudes and sometimes works in a surrealistic style has been refused permission to travel abroad.

When Liu Jixian, 27, a self-taught artist who goes by the name A. Xian, mounted an exhibition of his works here last year, he included several paintings showing voluptuous female nudes moving in a

dreamlike manner through the old Imperial Palace.

He was visited by two men, apparently police, who told him that "the masses have some complaints about these paintings."

The artist was advised to move the paintings to a small room adjoining the main exhibition, where he could show the nudes to those who asked to see them and "those who can understand them."

The 440 oil paintings shown last week at the Shanghai exhibition center drew large crowds, with young people in the majority. Only a few nudes and abstract paintings were included. Most of the works on display were in realistic styles.

The China Daily found it remarkable that most of the paintings had no moral or political messages.

SINGAPORE — The government has cut the weekly circulation in Singapore of the Far Eastern Economic Review by about 90 percent as punishment for the magazine's alleged involvement in the island republic's domestic politics.

A statement issued by the Communications and Information Ministry charged on Saturday that the Hong Kong-based magazine "attempted to pit the Catholic Church against the prime minister and the government, and sow suspicion among Catholics in Singapore against them."

The statement said that from Dec. 29, the circulation of the Review in Singapore would be limited to 500 copies weekly, down from about 10,000 copies. The Audit Bureau of Circulation in London estimated that the Review's circulation in Singapore, as of June 30, was 9,346.

It was the fourth publication to have its circulation cut by the Singapore government in the past 17 months. The magazines Time and Asiaweek, and the newspaper

Asian Wall Street Journal all had their circulation limited. Only Time's has been restored.

Singapore's Parliament passed a law in August 1986 giving the government power to restrict sales of foreign journals that were deemed to be interfering in local politics.

The controversy between the Review and the Singapore government centers on a Dec. 17 article on Edgar D'Souza, a Roman Catholic priest who resigned the priesthood last week.

The government linked Mr. D'Souza, 39, to an alleged Marxist plot to overthrow it, and accused him of having an affair with a woman. Mr. D'Souza left Singapore last June for Australia.

The statement said the article was based on a distorted account by Mr. D'Souza of a meeting on June 2 between Prime Minister Lee Kuan Yew and Archbishop Gregory Yong. The meeting followed the arrest of 16 alleged Marxists, including 10 church workers.

The government linked Mr. D'Souza, 39, to an alleged Marxist plot to overthrow it, and accused him of having an affair with a woman. Mr. D'Souza left Singapore last June for Australia.

The statement said the article was based on a distorted account by Mr. D'Souza of a meeting on June 2 between Prime Minister Lee Kuan Yew and Archbishop Gregory Yong. The meeting followed the arrest of 16 alleged Marxists, including 10 church workers.

The government linked Mr. D'Souza, 39, to an alleged Marxist plot to overthrow it, and accused him of having an affair with a woman. Mr. D'Souza left Singapore last June for Australia.

The statement said the article was based on a distorted account by Mr. D'Souza of a meeting on June 2 between Prime Minister Lee Kuan Yew and Archbishop Gregory Yong. The meeting followed the arrest of 16 alleged Marxists, including 10 church workers.

The government linked Mr. D'Souza, 39, to an alleged Marxist plot to overthrow it, and accused him of having an affair with a woman. Mr. D'Souza left Singapore last June for Australia.

The statement said the article was based on a distorted account by Mr. D'Souza of a meeting on June 2 between Prime Minister Lee Kuan Yew and Archbishop Gregory Yong. The meeting followed the arrest of 16 alleged Marxists, including 10 church workers.

The government linked Mr. D'Souza, 39, to an alleged Marxist plot to overthrow it, and accused him of having an affair with a woman. Mr. D'Souza left Singapore last June for Australia.

The statement said the article was based on a distorted account by Mr. D'Souza of a meeting on June 2 between Prime Minister Lee Kuan Yew and Archbishop Gregory Yong. The meeting followed the arrest of 16 alleged Marxists, including 10 church workers.

## WORLD BRIEFS

### Spain Says France Holds ETA Leader

MADRID (Reuters) — The French police have detained the new military chief of the Basque separatist organization ETA, Spanish Interior Ministry sources said Sunday.

The sources said that Ignacio Pujana Alberdi, 26, who was arrested Wednesday in Angoulême, had ordered the attack that killed 11 persons including five children, in the family quarters of Zaragoza's Civil Guard barracks this month.

He had taken over as the head of the commandos of ETA from Santiago (Porrós) Arrospide, who was arrested in October in southwest France, they said. In Paris, the Interior Ministry declined to confirm that Mr. Alberdi was the leader of ETA. A ministry source said Mr. Alberdi and another Spaniard arrested with him, Roberto Martínez, were charged Saturday with carrying weapons illegally. Mr. Alberdi was also charged with attempted manslaughter.

### Tutu Urges Calm as 13 Die in Natal

JOHANNESBURG (WP) — Despite an impassioned appeal by Archbishop Desmond M. Tutu for calm, eight more persons were reported Sunday in factional fighting in black townships in Natal Province.

The deaths raised the tally of South African blacks killed over the Christmas weekend in interethnic clashes to 13. In his first statement on the fighting since trying to mediate between factions on Dec. 6, Archbishop Tutu denounced the "ghastly spiral of unending revenge killings" and called for an "immediate cease-fire." He also accused leaders of the conservative Inkatha movement of Zululand and the militant United Democratic Front of "verbal political attacks" that fueled the fighting.

It was one of the most violent weekends ever in Natal, where street warfare between rival groups has resulted in the deaths of more than 200 persons in the last two months alone. Most of the clashes have occurred in townships around the provincial capital of Pietermaritzburg.

### Fast Ends for Polish Draft Resisters

WARSAW (Reuters) — Fourteen members of the Polish dissident group Freedom and Peace ended a two-week fast on Sunday after failing to win the release of jailed draft resisters, their spokesman said.

A doctor who examined the 12 men and two women, all in their 20s and 30s, said that each had lost from 20 to 26 pounds (9 to 12 kilograms) after drinking only mineral water for two weeks but that none was ill, the spokesman said.

The police in the Baltic port of Gdansk arrested a ninth Freedom and Peace member on Friday for resisting the draft, and four members have already been sentenced to two to three years in jail. Two years' military service is obligatory in Poland. Alternative civic service can be granted only on health grounds.

### Seoul Faces Decision on U.S. Goods

SEOUL (AP) — South Korea will decide this week whether to meet the U.S. demand that it open its markets further to certain U.S. products or risk U.S. sanctions, officials said Sunday.

"Economic Planning Minister Chung In Yong will call another meeting of concerned ministers this week to work out a final government strategy," an aide to Mr. Chung said.

After three days of trade talks last week in Washington failed to reach agreement, the United States threatened to put high tariffs on some South Korean imports unless markets open up more by the end of the year to U.S. beef, cigarettes and insurance firms.

## TRAVEL UPDATE

### U.S. Airlines to Limit Carry-On Bags

WASHINGTON (AP) — Beginning Friday, the major airlines in the United States, under a new safety requirement of the Federal Aviation Administration, will impose stricter limits on the amount and size of luggage and other items that accompany passengers onto an airliner.

While leaving the airlines leeway to determine how many bags may be brought aboard by passengers and how large they may be, the agency has ordered that no item may be taken on board if it cannot be stowed beneath a seat or overhead bin, or hung in a cabin closet. The agency has also suggested that generally no more than two bags should be allowed into the aircraft cabin, although the number could be increased depending on how full the plane is.

The agency suggests general size limitations of 9 by 14 by 22 inches (about 23 by 36 by 56 centimeters) for under-seat storage, 10 by 14 by 36 inches for overhead bins, and 4 by 23 by 45 inches for cabin closets. The two-bag limit does not include such additional items as a pocketbook or purse, overcoat, umbrella, camera, an infant bag, or a child safety seat.

More than 2,000 Portuguese tourist guides and interpreters held a 24-hour strike on Sunday to protest against what they say is the illegal employment of unqualified foreign guides by tour operators. (AP)

### This Week's Holidays

Banking and government offices will be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:

MONDAY: Australia, Britain, Canada, Cayman Islands, Cook Islands, Ireland, Gibraltar, Luxembourg, Montserrat, New Zealand, Nigeria, Papua New Guinea, Sri Lanka, Vatican.

TUESDAY: Britain, Ireland, Japan, Madagascar, Nepal, Sri Lanka.

WEDNESDAY: Colombia, El Salvador, Japan, Madagascar, Philippines.

THURSDAY: Andorra, Argentina, Bangladesh, Benin, Belgium, Brazil, Britain, Canada, Chile, Colombia, Congo, Czechoslovakia, Denmark, Ecuador, El Salvador, Finland, France, French Guiana, French West Indies, Honduras, Iceland, India, Italy, Ivory Coast, Liechtenstein, Luxembourg, Madagascar, Mexico, Montserrat, Netherlands, Netherlands Antilles, New Caledonia, Nicaragua, Norway, Oman, Pakistan, Panama, Paraguay, Peru, Philippines, Qatar, St. Kitts-Nevis, St. Pierre, Sao Marino, Sri Lanka, South Korea, Sweden, Switzerland, Tabari, Thailand, United States, Vatican City, West Germany.

FRIDAY: all countries except Afghanistan, Bangladesh, Bhutan, Burma, Egypt, Ethiopia, Iraq, Libya, Malaysia, Oman, Pakistan, Qatar, Saudi Arabia, Sri Lanka, Yemen.

SATURDAY: Bahrain, Botswana, Haiti, Japan, Mauritius, Mongolia, Romania, Seychelles, South Korea, Switzerland, Taiwan, Western Samoa, Yugoslavia.

SUNDAY: Burkina Faso, South Korea, Sri Lanka.

Source: Morgan Guaranty Trust Co., Reuters.

### Philippine Crash Inquiry Set

UNITED PRESS INTERNATIONAL

MANILA — A Philippine marine inquiry board has scheduled a hearing Monday in the first step of an investigation into the Dec. 20 collision of an oil tanker and the passenger ferry MV Dona Paz that killed more than 1,600 people.

**UNIVERSITY DEGREE**  
BACHELOR'S • MASTER'S • DOCTORATE  
For Work, Academic, Life Experiences.  
Send detailed resume for free evaluation.  
**PACIFIC WESTERN UNIVERSITY**  
600 N. Sepulveda Blvd.,  
Los Angeles, California,  
90049, Dept. Z2, U.S.A.

كتاب النور

How Give Chemical  
Uruguay Give Croatia



# Moscow Gives Data On Chemical Arms

Compiled by Our Staff From Dispatches  
**MOSCOW** — The Soviet Union has disclosed for the first time that it has about 50,000 tons of chemical weapons in its arsenal, and has accused the United States of disrespect for countries trying to negotiate a ban on the weapons.

In a statement issued Saturday through Tass press agency, the Foreign Ministry said that its stockpile is about equal to the chemical arsenal of the United States. But it said that Western estimates of 500,000 to 700,000 tons were "absolutely fantastic."

For years, the Kremlin denied that Soviet armed forces had any chemical weapons. More recently, it has admitted to holding toxic weapons but declined to disclose figures.

The lengthy statement criticized the American decision to begin production of binary chemical weapons in mid-December.

The Soviet leader, Mikhail S. Gorbachev, and President Ronald Reagan agreed at their Washington summit meeting early this month to negotiate a "verifiable, comprehensive and effective international convention on the prohibition and

destruction of chemical weapons." But just a week later, U.S. production on the binary weapons began. The United States contends that it stopped making toxic weapons in 1969 but was forced to launch the binary program because Moscow had accumulated huge stocks in the years since then.

The Foreign Ministry called work on binary weapons "militarist in its nature" and an "unprovoked" step toward a chemical weapons race.

It accused the United States of impeding the Geneva chemical weapons talks because of its desire to begin producing the weapons.

The ministry said that to end the "deception" of the West's claims, it was "authorized to state that the stock of chemical weapons in the U.S.S.R. does not exceed 50,000 tons in terms of poisoning substances."

It added, "According to Soviet expert estimates, this corresponds to the chemical weapon stocks of the United States. Moreover, all Soviet chemical weapons are located on Soviet territory."

The production of chemical weapons by the United States "is nothing short of an attempt to torpedo the process of chemical disarmament" and represents "a manifestation of disrespect" for the countries seeking a ban on such weapons, the ministry said.

The Geneva talks moved closer to a global ban on toxic weapons when Moscow dropped objections this year to on-site inspection to verify compliance with an accord.

Soviet and American experts have since visited sites in each other's countries to see how chemical weapons would be destroyed in the event of an agreement.

In another development Sunday, the Soviet Union conducted an underground nuclear test explosion for military purposes, Tass said.

The test, which Tass said was "to perfect military technology," was the third by Moscow since the superpower summit meeting and the fifth since the Soviet Union ended a unilateral moratorium on nuclear tests in February. (AP, Reuters)

# India Said to Get More Mirage Jets

**NEW DELHI** — India has received nine more Mirage 2000 jet fighters from France, bringing its Mirage fleet to 49, the United News of India said Sunday.

But it quoted unidentified official sources as saying that India has rejected a French offer to produce about 150 Mirages under license in India in favor of acquiring more Soviet MiG-29 fighter planes. The Indian Air Force, which relies heavily on Soviet combat aircraft, has 44 MiG-29s and 400 of the less sophisticated MiG-21s, MiG-23s and MiG-27s.

The new Mirages are fitted with two French-built Super Matra Magic 530-D air-to-air missiles and two Matra 550 missiles.

# Paraguay Gives Refuge To a Croatian Convict

**By Alan Riding**  
*New York Times Staff Writer*

**ASUNCION, Paraguay** — In a country with a record for providing refuge to fugitive Nazis, ousted dictators and prominent drug traffickers, the arrival of a former Croatian terrorist here this month caused only a minor stir.

To some foreign diplomats, the case of Miro Baresic is fundamentally different from other cases involving infamous residents of Paraguay among them Josef Mengele, the Nazi murderer who lived here in the 1950s, General Anastasio Somoza, the ousted Nicaraguan dictator who was himself killed here in 1980, and Joseph Augustin Rocard, the heroin kingpin who died here in 1985.

In these cases, the Paraguayan dictatorship provided a safe haven for men fleeing from their past. But in the Baresic case, according to diplomats, Paraguayan officials have been shown to have collaborated with a Croatian anti-Communist terrorist group known as Ustasha, which means insurgent in Croatian.

The movement is dedicated to liberating Croatia — one of Yugoslavia's republics — from Communist control.

It includes among its tactics the assassination of Yugoslav diplomats and attacks on Yugoslav diplomatic missions abroad.

Mr. Baresic first gained renown in 1971 when he and five other Croatians were convicted of killing the Yugoslavian ambassador to Stockholm, Vladimir Rolovic.

The next year, Ustashi militants hijacked an SAS airliner and obtained the freedom of

their colleagues, who were freed in Spain.

In Madrid, the Croatians made contact with the Paraguayan ambassador, Rodney Elpidio Acevedo, who had since been promoted to deputy foreign minister, and were given papers to travel to Asuncion. Here the authorities provided them with Paraguayan passports under false names.

For several years, Mr. Baresic, now in his late 30s, taught martial arts at Paraguay's main military college. He was given the rank of captain in the Paraguayan Army.

Ustashi terrorists also established an operating base here, and in 1976 they mistakenly killed the Uruguayan ambassador to Asuncion, Carlos Abdala, when they were planning to kill a visiting Yugoslav official. A Croatian was subsequently imprisoned.

In 1977, Mr. Baresic appeared in Washington working as a driver and bodyguard to Ambassador Mario Lopez Escobar, under the name of Tony Favik. U.S. officials discovered his true identity following a traffic incident in which he claimed diplomatic immunity.

Mr. Baresic returned to Asuncion and was later deported to Sweden to complete his prison term there.

Although Mr. Baresic was condemned to life in prison, his sentence was reduced to 18 years in 1985. This month, having served half of his term, he became eligible for release once Paraguay agreed to receive him. On Dec. 10, a Swedish Air Force transport plane delivered Mr. Baresic, his wife, Slavica, and their two children in Asuncion.

# DOONESBURY



**ARKANSAS TRAVELER** — As floodwaters caused by heavy rains rose along the Mississippi River, Charles Hodges (left, in boat) was evacuated Saturday from his home in West Memphis, Arkansas. Governor Bill Clinton issued a state disaster declaration and has asked President Reagan for a similar declaration from Washington.

# Robertson Reprise: On God and Governing

**By Wayne King**  
*New York Times Staff Writer*

**NEW YORK** — Pat Robertson, the Republican presidential candidate who resigned his ministry to ally concern that he would impose religion on government if elected, said emphatically when he was a minister that he believed only devout Christians and Jews were qualified to govern.

A review of his writings and commentary on "The 700 Club," the religious television program he has hosted for two decades, also shows that Mr. Robertson maintained that government is subservient to the will of God and that democracy is "next best" to "government controlled by God."

As a political candidate, he has increasingly distanced himself from such statements, and in some instances denied making them.

The Robertson campaign strategy is to portray him not as a televangelist, which he denies he ever was, but as a "Christian broadcaster" who espouses conservative values.

But over the past two decades, Mr. Robertson has made religious pronouncements on television and in four books.

In a "700 Club" broadcast on Jan. 11, 1985, he discussed whether Christians should participate in government.

He said, "Individual Christians are the only ones really — and Jewish people, those who trust the God of Abraham, Isaac and Jacob — are the only ones that are qualified to have the reign because, hopefully, they will be governed by God and submitted to him."

A co-host, Ben Kinchlow, interjected, "Obviously you're not saying that there are no other people qualified to be in government or whatever if they aren't Christians or Jews."

Mr. Robertson said: "Yeah, I'm saying that. I just said it."

"I think anybody whose mind and heart is not controlled by God Almighty is not qualified in the ultimate sense to be the judge of someone else," he went on. "No one is fit to govern other people unless, first of all, something governs him. And there is only one governor I know of that is suitable to be judge of all the universe, that's God Almighty. Yes, I did say that. You can quote me. I believe it."

In an interview in Time magazine in September, Mr. Robertson said that he had "never said that in my life."

"I never said only Christians and Jews," he added. "I never said that."

Mr. Robertson now concedes that he did make that comment, but he said in a telephone interview that he did so when he was a minister, not in his present capacity as a candidate for president.

Asked why he had denied making the remark, he said: "I didn't remember it. I didn't remember saying it that way."

In another comment that he later denied making, Mr. Robertson contended in July 1986 that Christians feel more strongly about their country than others do. He had been asked whether Christians felt more strongly about some issues than other people did, and he replied: "I think patriotism, love of God, love of country, support of traditional family. They believe it would be good for our country if families were closer together."

He added, "I think they feel about them more strongly than others do."

In a 1984 book, "Answers to 200 of Life's Most Probing Questions," Mr. Robertson began a discussion of the question, "What is the purpose of government?" with the statement: "Government was instituted by God to bring His law to people and to carry out His will and purposes."

He also wrote: "Perfect government comes from God and is controlled by God. Short of that, the next best government is a limited democracy in which the people acknowledge rights given by God but voluntarily grant government limited power to do those things the people cannot do individually."

Some of these views are not far from the mainstream of Christian belief, though the fact that a man who is now a candidate for the presidency has professed them is seen by some organizations and individuals as a threat to separation of church and state.

A former producer of "The 700 Club," Gerald Thomas Straub, dismissed in 1980 for denying involvement in an extramarital affair, has written a book titled "Salvation for Sale: An Insider's View of Pat Robertson's Ministry."

Published in 1986, it is now being updated with new material, including a transcript of a long staff prayer meeting in 1980 in which Mr. Robertson predicted the end of the world in 1982.

Mr. Straub maintains that Mr. Robertson discussed with him how to televise the second coming of Christ, an assertion Mr. Robertson calls "ludicrous." He described Mr. Straub as "flaky."

Mr. Straub recorded the staff meeting on Jan. 1, 1980, in which Mr. Robertson said he had asked the Lord what kind of year it would be. Mr. Robertson said the reply indicated, "He's had it up to here

and the hour of His wrath has come."

He said his remarks about the second coming are often misinterpreted by those who think he is advocating, rather than merely predicting, Armageddon.

He also denied that he is playing down his religious beliefs now that he is a candidate.

"I've really only got two months to deal with the perception that I know what I'm talking about about world issues," he said.

Nor, he said, does he think that discussions of faith healing, speaking in tongues, performing miracles or accounts of personal conversations with God and Satan hurt his candidacy.

"I know these things are real, and I'm not backing off from them one bit," he said.

One celebrated incident, originally filmed and broadcast by his Christian Broadcasting Network and replayed on television news shows, depicts Mr. Robertson holding one hand aloft, head bowed, telling a hurricane, "in the name of God, I command you to turn north. The hurricane did turn and Mr. Robertson says prayer is what turned it."

# Gephardt, Trade Bill Author, Says Japanese Cars Are Better

**WASHINGTON** — Representative Richard A. Gephardt, a Democratic presidential candidate, and the author of tough legislation that could result in U.S. trade retaliation against Japan, said Sunday that Japanese autos are better made than American cars.

Mr. Gephardt is the chief sponsor of trade legislation that has been branded as protectionist by its opponents, a label he disputes. The bill would authorize stiff selective tariffs and other barriers against imports from countries that refuse to open their domestic markets to American goods while selling large amounts of products in the United States.

Citing the quality ratings of the magazine Consumer Reports, Mr. Gephardt said Saturday, "All the best-rated cars were American. That's not a good sign."

The Missouri congressman said U.S. trade problems are symptomatic of deeper difficulties that re-

fect a lack of leadership from President Ronald Reagan.

"In the long haul, our standard of living is going down," Mr. Gephardt said on television Sunday. "Slowly but surely, we're in decline."

Mr. Gephardt is the chief sponsor of trade legislation that has been branded as protectionist by its opponents, a label he disputes. The bill would authorize stiff selective tariffs and other barriers against imports from countries that refuse to open their domestic markets to American goods while selling large amounts of products in the United States.

# Lower Fees and Status Deflate U.S. Physicians

**By Robert Pear**  
*New York Times Staff Writer*

**WASHINGTON** — Changes in the way physicians are paid have caused many American doctors to feel that their profession has lost the social and economic status that made it attractive in the past.

Doctors have had to cede some of their authority and independence to government officials, insurers, corporate managers and hospital administrators, and they are alarmed by the trend.

They argue that it threatens the quality of patient care by undermining the primacy of the doctor's clinical judgment.

Yet the doctors, who are now often paid directly or indirectly through government and insurance company reimbursement programs, acknowledge that the shift has made them more sensitive to costs and more accountable to the people who pay for health care.

For years, many Americans went into medicine with the intention of becoming independent practitioners. But at least 25 percent of all U.S. doctors are now salaried employees of hospitals, clinics and other health care organizations. The proportion is increasing, and the trend is strong among young doctors.

According to the American Medical Association, 25.7 percent of physicians were working as salaried employees in 1985, up from 23.4 percent in 1983.

Among physicians under 36 years old, 47 percent were employees in 1985. By contrast, just 19.4 percent of their colleagues over 55 were employees.

As salaried employees, doctors typically earn less than independent practitioners. Experts say that the income of both groups is leveling off, in part because of government restrictions.

Dr. James S. Todd, deputy executive vice president of the AMA, said that doctors "are being treated, in a sense, as any other commodity in the new health care market," which emphasizes competition, efficiency and stringent controls on costs.

Dr. Morris M. Podolsky, a 38-year-old ophthalmologist in New York, asserted, "The independent private practice of medicine is being constrained by government regulations."

Insurance companies that are

Quiet Elegance in London's Most Fashionable Setting

**The Chesterfield**

51 Chester Street, Mayfair  
 One of London's Best Kept Secrets  
 Telephone: 01-493 2000, Telex: 89099  
 Fax: 01-493 4700, 4701  
 Please reserve the "110" for your preferred booking.

---

**Fire Damages Swiss Factory**

**ZURICH** — A fire Sunday badly damaged the Finet Marti AG tire factory near here, destroying its stock and causing damage estimated at 2 million Swiss francs (\$1.5 million), the police said.

# WIN \$ MILLIONS!

Strike it rich in Canada's Favorite Lottery. You pick your own numbers playing Lotto 6/49

That's right... you can win millions by picking your own numbers playing Lotto 6/49—Canada's most popular Government Lottery. In fact, last year Lotto 6/49 paid out \$354,736,589.00 in ALL CASH PRIZES. And it's all free of Canadian taxes. There are two draws each week for a grand prize guaranteed to be not less than \$1,000,000.00 with many millions more in secondary prizes. Grand prizes often run into the millions and have been as high as \$13,890,588.80. Imagine what you could do with that much cash! This is your opportunity to find out because now you can play the lottery that's making so many millionaires in Canada.

**WHAT IS LOTTO 6/49?**  
 Lotto 6/49 is the official Canadian version of Lotto—the world's most popular form of lottery. It's the lottery in which you pick your own numbers and it's called "6/49" because you select any 6 of 49 possible numbers from 1 to 49. Your numbers are entered in the Lotto 6/49 computer system and if they match the six winning numbers chosen in the draw—you win the grand prize. Or if you have only 3, 4 or 5 numbers correct you win one of thousands of secondary prizes available.

**HOW CAN I PLAY?**  
 Complete the attached order form and send it to Canadian Overseas Marketing along with the necessary payment. We will enter your numbers for the specified length of your subscription. You may select from 1 to 6 games for 10, 20, or 52 weeks. Each game gives you

another chance at the grand prize for every draw in which you are entered. You receive a "Confirmation of Entry" by return mail acknowledging your order and indicating the numbers you have selected as well as the draws in which they are entered.

**HOW DO I KNOW WHEN I WIN?**  
 You will be notified immediately when you win a prize of \$1,000.00 or more. Also, a complete list of all winning numbers will be sent to you after every tenth draw so that you can check along the way to see how you are doing. At the expiration of your subscription you will be sent a final statement of your winnings. All prize money will be converted to any currency you wish and confidentially forwarded to you anywhere in the world. So mail your order today—the next big winner could be you.

**PRIZE BREAKDOWN (Actual Sample of One Draw)**

PRIZES	NO. OF PRIZES	PRIZE VALUE*
1ST PRIZE 6 OUT OF 6 NUMBERS	1	\$13,890,588.80
2ND PRIZE 5 OUT OF 6 PLUS BONUS	10	\$443,481.80
3RD PRIZE 5 OUT OF 6	716	\$3,764.70
4TH PRIZE 4 OUT OF 6	48,317	\$139.30
5TH PRIZE 3 OUT OF 6	985,112	\$10.00
TOTAL PRIZES	1,074,736	\$17,443,228.10

\*All prizes quoted in Canadian dollars.  
 1st, 2nd, 3rd, and 4th prizes are calculated on a percentage of the total prize pool. Since the prize pool fluctuates from draw to draw, the size of the prizes will vary from the size of the prizes shown above.

**Canadian Overseas Marketing** †  
 P.O. Box 48120, Suite 1703-595 Burrard St., Vancouver, B.C., Canada V7X 1S4  
 Telex: 04-507822

† Canadian Overseas Marketing is a private company. The prices quoted herein include handling and mailing costs.

**ORDER TODAY!**  
 Mark six numbers on each game board you wish to play.

**CANADIAN OVERSEAS MARKETING ORDER FORM**  
 EACH BOARD = 1 GAME MARK 6 NUMBERS ON EACH BOARD YOU WISH TO PLAY

1 10 20 30 40	2 10 20 30 40	3 10 20 30 40	4 10 20 30 40	5 10 20 30 40	6 10 20 30 40
1 11 21 31 41	1 11 21 31 41	1 11 21 31 41	1 11 21 31 41	1 11 21 31 41	1 11 21 31 41
2 12 22 32 42	2 12 22 32 42	2 12 22 32 42	2 12 22 32 42	2 12 22 32 42	2 12 22 32 42
3 13 23 33 43	3 13 23 33 43	3 13 23 33 43	3 13 23 33 43	3 13 23 33 43	3 13 23 33 43
4 14 24 34 44	4 14 24 34 44	4 14 24 34 44	4 14 24 34 44	4 14 24 34 44	4 14 24 34 44
5 15 25 35 45	5 15 25 35 45	5 15 25 35 45	5 15 25 35 45	5 15 25 35 45	5 15 25 35 45
6 16 26 36 46	6 16 26 36 46	6 16 26 36 46	6 16 26 36 46	6 16 26 36 46	6 16 26 36 46
7 17 27 37 47	7 17 27 37 47	7 17 27 37 47	7 17 27 37 47	7 17 27 37 47	7 17 27 37 47
8 18 28 38 48	8 18 28 38 48	8 18 28 38 48	8 18 28 38 48	8 18 28 38 48	8 18 28 38 48
9 19 29 39 49	9 19 29 39 49	9 19 29 39 49	9 19 29 39 49	9 19 29 39 49	9 19 29 39 49

**FREE BONUS** — Check only one box below next to the option of your choice. ALL PRICES IN U.S. FUNDS

	INCLUDES 2 DRAWS FREE	INCLUDES 4 DRAWS FREE
10 WEEKS (20 Draws)	\$ 45.	\$ 112.
26 WEEKS (52 Draws)	\$ 90.	\$ 225.
52 WEEKS (104 Draws)	\$ 135.	\$ 337.
	\$ 180.	\$ 450.
	\$ 225.	\$ 562.
	\$ 270.	\$ 675.
	\$ 315.	\$ 787.
	\$ 360.	\$ 900.
	\$ 405.	\$ 1,012.
	\$ 450.	\$ 1,125.
	\$ 495.	\$ 1,237.
	\$ 540.	\$ 1,350.

Make Cheque or Bank Draft (in U.S. Funds) payable to: Canadian Overseas Marketing and Mail to: P.O. Box 48120, Suite 1703-595 Burrard St., Vancouver, B.C., Canada V7X 1S4

NAME \_\_\_\_\_ TELEPHONE AND AREA CODE \_\_\_\_\_  
 ADDRESS/PO. BOX \_\_\_\_\_  
 CITY \_\_\_\_\_ COUNTRY \_\_\_\_\_  
 Cheque  Bank Draft  VISA  M/C  EXPIRY DATE \_\_\_\_\_  
 CREDIT CARD NUMBER \_\_\_\_\_  
 SIGNATURE \_\_\_\_\_

**FINLANDIA**  
 Vodka of Finland  
 TRADITIONAL SCANDINAVIAN VODKA DISTILLED SINCE 1838



Herald INTERNATIONAL Tribune

Soviet Reforms: Round 1

There's no doubting Mikhail Gorbachev's determination to breathe new life into the wheezing Soviet economy. But there are already reasons to think that his first round of reforms will fail.

On to Mars, Via Moscow

The U.S. space agency keeps looking at the heavens through bizarre bifocals. At a time when the paramount need is to reduce the federal deficit, NASA's top goal is to build a \$32 billion space station that has no clear purpose.

Other Comment

33's Suggestions Ignored

The signing of deficit-reducing legislation by President Ronald Reagan was quickly hailed by G-7 finance ministers and central bank heads, who pledged further efforts to stabilize the foreign exchange market.

Another Threat of Famine

As drought, guerrilla wars and governmental bungling again create a risk of famine in Ethiopia, there is hope that the terrible toll of 1984-85 will not be repeated.

An Old Story, With New Hope

PARIS — The Christmas story is always present, always new. It is the story of joy and renewal of life, of eternal yearning for hope.

OPINION

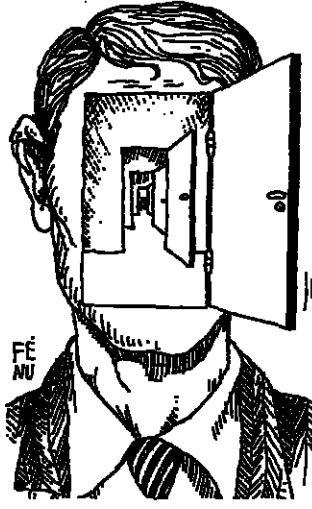
By Flora Lewis

It is bigger because it is burgeoning with people, now five billion compared with probably less than a million at the start of the Christian calendar.

NATO Needs a Leader as It Enters a Year of Challenge

By Frederick Bonnard

BRUSSELS — NATO's challenge: What now? If the question does not exactly echo through the alliance, it certainly is on peoples' minds.



The writer is editor of NATO's Sixteen Nations, an independent review of economic and military power published in Brussels. He contributed this comment to the International Herald Tribune.

Only Truth Will Best Serve Israeli and American Jews

By Anthony Lewis

BOSTON — American supporters of Israel have made a crucial difference to the Jewish state's safety and development. They have reason to be proud of their effectiveness.

The Hart Campaign's Hidden Helpers

By William Safire

WASHINGTON — The hidebound power brokers of the Democratic political establishment must be in cahoots with the panjandrums of the media mafia to bring about the nomination of Gary Hart.

Tokyo, if Not Washington, Can Live With the Dollar

By Hobart Rowen

WASHINGTON — Japan has once again confounded the Western world. It has learned to live with the high yen, just as it did with the oil "shocks" in 1973 and 1979.

In fact, the global economy has not enjoyed the exchange-rate stability that Mr. Morita and most businessmen feel is essential, because Mr. Baker and his counterparts in the Group of Seven countries haven't been able to coordinate their economic policies in the right way.

have a record trade deficit, still face protectionist legislation and, with a weak dollar, now face inflationary pressures from higher-priced imports.

100, 75 AND 50 YEARS AGO

1887: Who Rules Paris?

PARIS — The question at this moment is whether a resuscitated Commune is again to govern Paris.

1912: Is Singing Vulgar?

NEW YORK — There is a movement in America just now to bar vulgar songs. In pursuance of this crusade, notices were posted (Dec. 27) in all Young Men's Christian Association and Young Women's Christian Association branches throughout the country prohibiting the

playing and singing of songs such as "Hitchy-koo," "Row, row, row" and "Everybody's Doing It." Mr. William Cooper, general secretary of the organization, said: "It is not so much the actual and literal meaning of the words, but the objectionable idea, as it is the connotation and the idea which is obviously implied."

1937: Balancing a Budget

WASHINGTON — While many of his friends and all his enemies in Congress are shaking their heads and saying, "It just can't be done," President Roosevelt gave new evidence today (Dec. 27) of his determination to make the budget balance, putting pressure behind the effort if necessary. Taken together, proposed cuts in the Civilian Conservation Corps highway construction, the work-relief program and public works would account for just about the amount which has been regarded as necessary to balance the budget if revenues continue at present level.

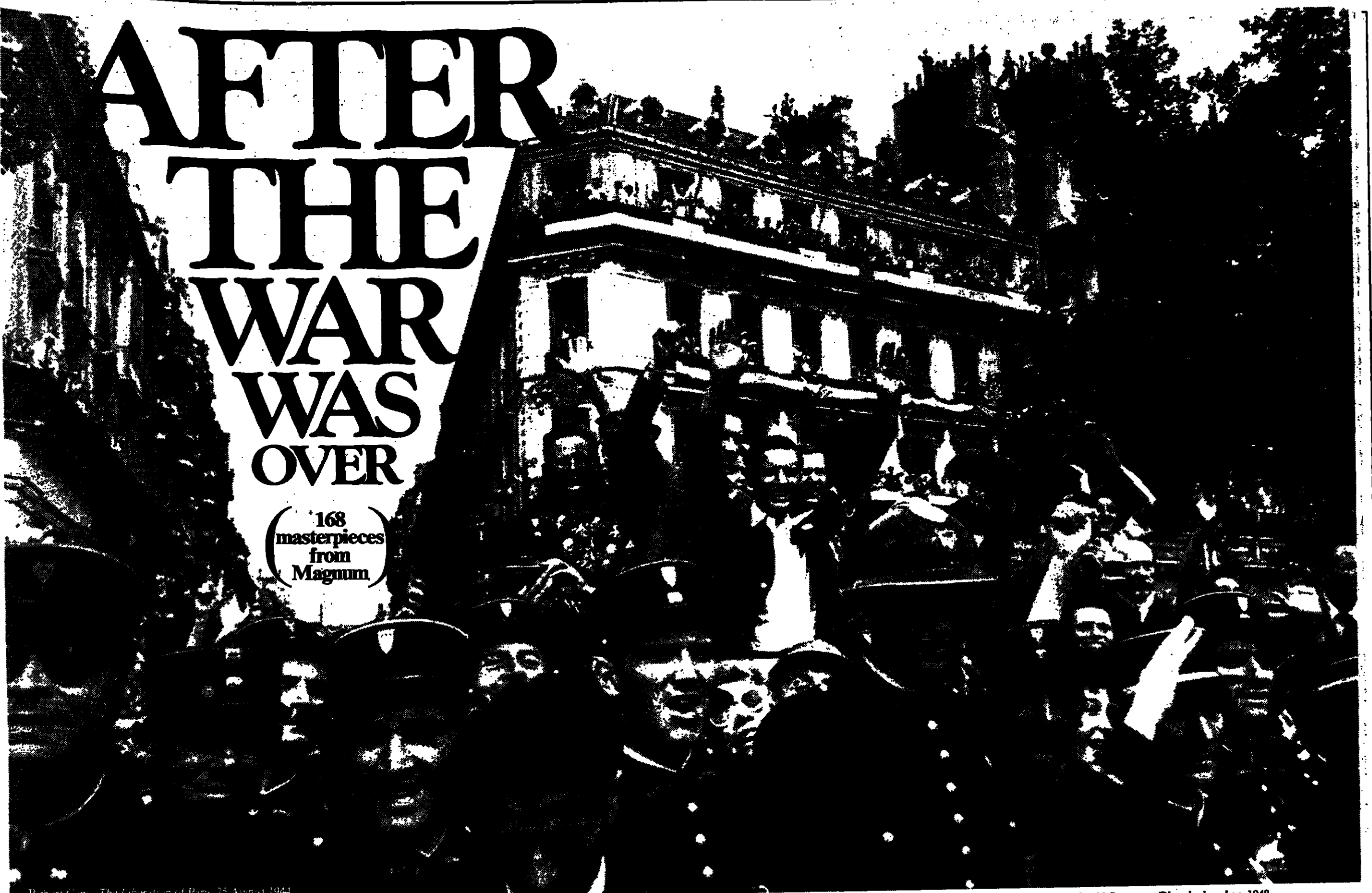
INTERNATIONAL HERALD TRIBUNE JOHN HAY WHITNEY, Chairman 1938-1982 KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER Co-Chairman

captures a 20th century's Here you time. Once you magnificently yourself, and Availat



# AFTER THE WAR WAS OVER

168 masterpieces from Magnum



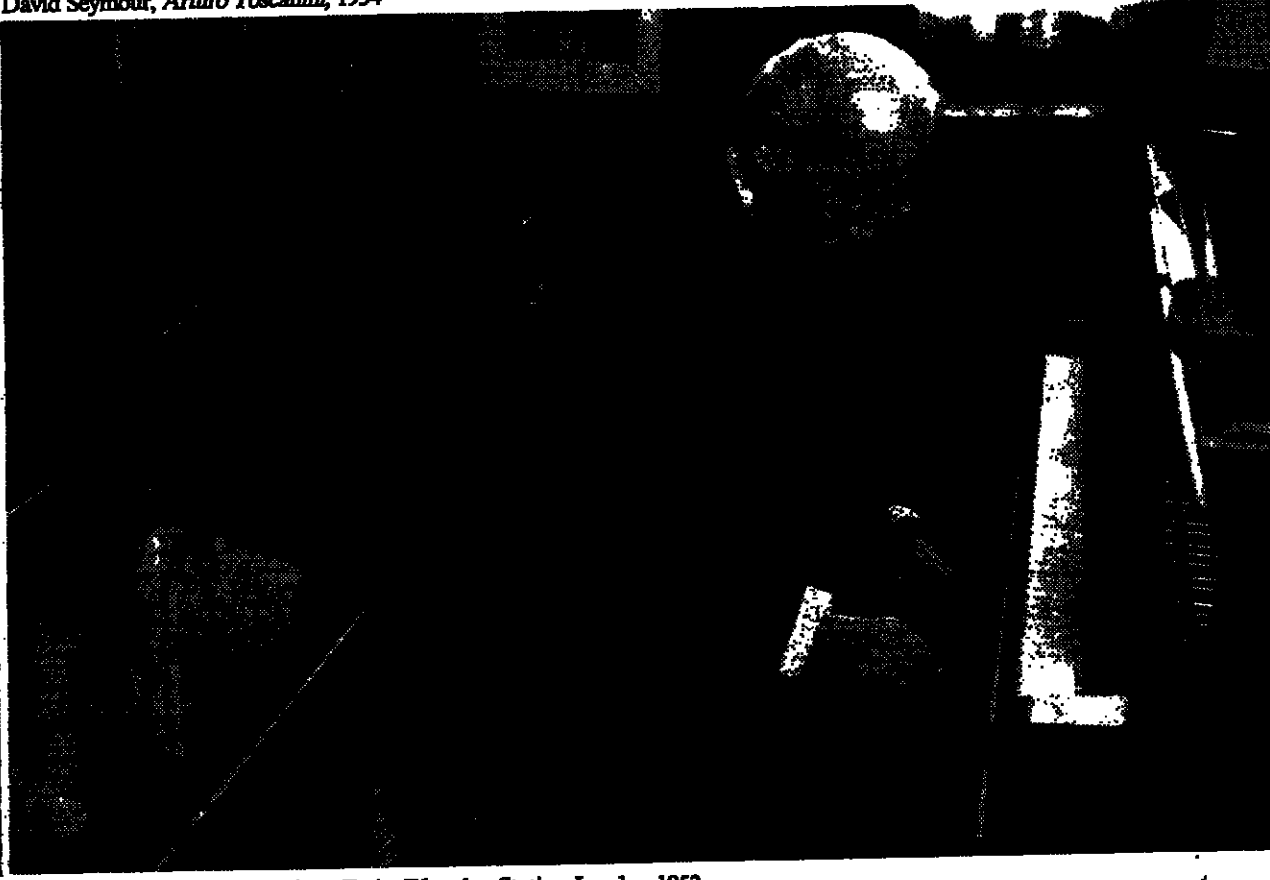
Robert Capa, *The Liberation of Paris*, 25 August 1944

David Seymour, *Arturo Toscanini*, 1954

David Seymour, *Disturbed orphan*, 1948



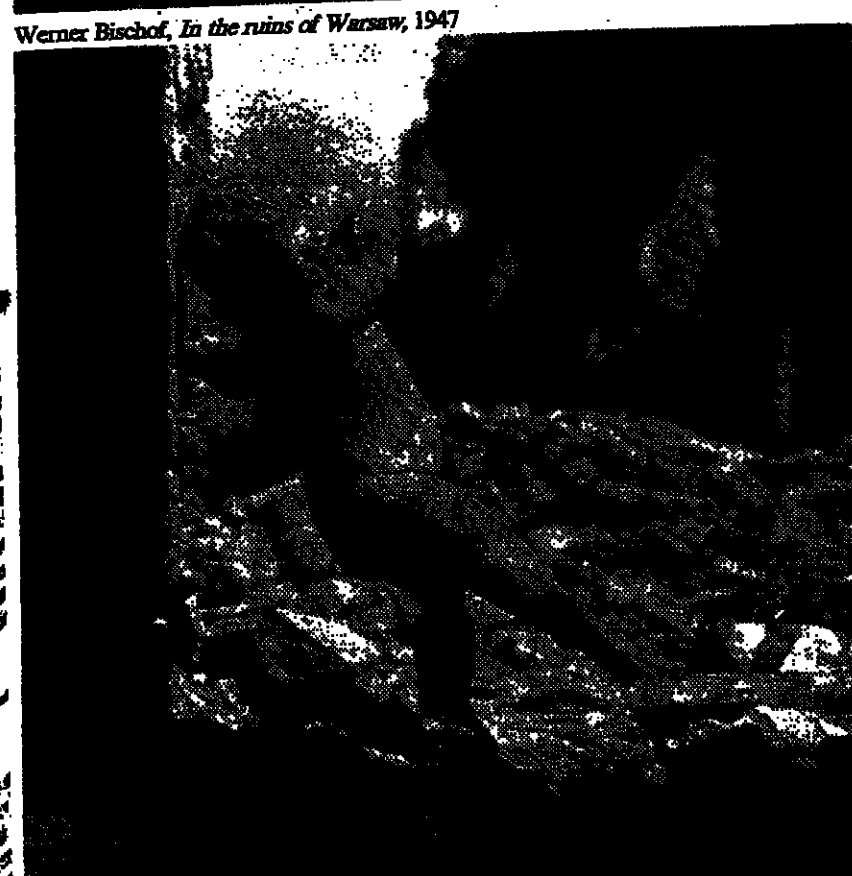
Werner Bischof, *In the ruins of Warsaw*, 1947



Henri Cartier-Bresson, *The Ascot Train*, Waterloo Station, London 1953



Erich Lessing, *Railroad workers*, 1956



Photographs by Werner Bischof, René Burri, Robert Capa, Henri Cartier-Bresson, Elliot Erwitt, Ernst Haas, Erich Lessing, Inge Morath, Marc Riboud, David Seymour, and other Magnum photographers.

From the archives of Magnum Photos, a photographic record of Europe in the immediate postwar years — striking images of a continent shaking off the debris of destruction and coming to life.

Mary Blume, the International Herald Tribune's distinguished feature journalist, sets the postwar scene and interviews many of the photographers in her introduction. The I.H.T. is pleased to present this unique volume that captures a decisive epoch and commemorates the work of some of the 20th century's master photojournalists.

Here you'll find some of the most famous images and faces of our time. Once you open its pages, you will want to spend hours poring over this magnificently produced collection. Truly this is a book to treasure for yourself, and a beautiful gift as well.

Available from the International Herald Tribune. Order today.

Hardcover, 200 pages, 168 duotone illustrations, 32x26cm (12.5x10.25in.)

**AFTER THE WAR WAS OVER**  
International Herald Tribune, Book Division,  
181 Ave. Charles-de-Gaulle, 92521 Neuilly Cedex, France.  
Payment is by credit card only. All major cards are accepted.  
(Please note that French residents may pay by check in French francs, at the current exchange rate. We regret that checks in other currencies cannot be accepted.)

Please charge to  Access  Visa  Amex  
 my credit card  Eurocard  Diners  Mastercard

Please send me \_\_\_\_\_ copies of *After The War Was Over* at U.S. \$45.00 each, plus postage: \$5.00 each in Europe; \$14.00 each outside Europe.

Name (IN BLOCK LETTERS) \_\_\_\_\_  
Address \_\_\_\_\_  
City and Code \_\_\_\_\_  
Country \_\_\_\_\_



28-12-87



Environmentalists in Soviet Union Test the Limits of Citizen Activism

By Bill Keller
Moscow — In the Armenian capital of Yerevan, angry citizens have forced local officials to promise that a chemical plant planned for high rates of cancer and birth defects will be relocated.
In the town of Kirishi, in western Russia, a band of citizens led by a local postman shut down a plant manufacturing synthetic additives for livestock feed.
In Moscow, in the face of student protests, the authorities have abandoned plans to demolish several old buildings.

Pravda Says Clubs Must Put Curb on 'Illegal' Activities

MOSCOW — The Communist Party newspaper Pravda called on some of the Soviet Union's 30,000 private clubs and groups Sunday to crack down on activities such as illegal demonstrations and calls for the creation of opposition parties.
Their activities at times take on a clearly illegal character as, without permission, they organize demonstrations and print and disseminate literature hostile to socialism, Pravda said.

Soviet Crime Fell 8% In Year, Official Says

MOSCOW — The overall crime rate in the Soviet Union fell by 8 percent this year, with some serious offenses down by 14 percent, an official said Sunday.
V. Trushin, the first deputy interior minister, told the daily Izvestia that 600,000 "small fry" mostly people caught stealing from their work places, had been arrested, and that 180 millionaires had been sentenced for corruption.



MAN OF THE YEAR — This 1954 wedding portrait of Mikhail and Raisa Gorbachev is one of the rare family photographs that will appear in Time magazine's Man of the Year issue this week. In naming the Soviet leader as its 61st Man of the Year, Time described him as 'a dedicated Communist and a ruthless political opportunist' who has become a 'symbol of hope for a new kind of Soviet Union.'

MOSCOW: Holiday Buying Soars

(Continued from Page 1)
The average worker. At Yakimauka, lunch for two costs a worker two days' salary.
Yet they are always crowded with Soviet and foreign patrons. At Kropotinskaya, dinner tables must sometimes be reserved a week in advance. "The people who come here are not necessarily rich," Yakimauka manager Rafael Shalmeyev said. "Either they are people who like good Oriental food or people who are out for something exotic. People have been waiting for decent restaurants here for a long time."

Soviet Airline Gets Some Flak

MOSCOW — The Soviet state airline Aeroflot still suffers from high-handed management and corruption despite a change in leadership earlier this year, the Soviet Communist Party newspaper Pravda said on Sunday.
"Attempts to change the style of management have come up against a stone wall," Pravda said in an article headlined "Ministry of Closed Doors."

25 Die in Sri Lanka Market Shootout

COLOMBO — At least 25 persons were killed in a shootout in a crowded market in Batticaloa, Sri Lanka, on Sunday morning after Tamil rebels opened fire on three Sinhalese policemen and killed one of them, residents of the eastern port city said.
Eighteen of the dead were civilians without weapons, according to a priest contacted by telephone in Batticaloa, the Reverend Plus Pathmarajah. He said that local policemen and Indian soldiers opened fire in the market after the policemen were attacked.

ANGOLA: Archipelago of Terror

(Continued from Page 1)
called Stingers, from the United States. The guerrillas have denied shooting down the plane.
In the cities, where half of Angola's 8.8 million people now live, there is increasing social decay.
To meet draft quotas, army soldiers sometimes surround movie theaters and churches to check the draft status of young men as they leave.
Soldiers, either off duty or deserters, are increasingly using their guns for criminal profit.
A European diplomat, who lives in Luanda with his wife in a house protected by bars, chains and steel mesh, described an attempted holdup by "four drunken Angolan army soldiers" as the couple were driving in December.
"Instinctively hit the accelerator and ducked — they fired on us," he said, still shaken by the experience. "There were parts of a dead person in the street."

CHINA: Returning Students Adrift

(Continued from Page 1)
highly trained students returning from abroad to find suitable jobs that has prompted a series of high-level meetings among government leaders.
At issue is not only how to employ those who have returned from studying abroad, but also how to keep the tens of thousands of Chinese students at U.S. and European universities from returning home because they are aware of the difficulty of finding jobs back home.
Mr. Li was exiled in 1967 to Inner Mongolia as the Cultural Revolution engulfed China. He was sent there as retribution because his parents fled to Hong Kong in 1949 when communist armies took power in Beijing. He was left in the care of an uncle.
Mr. Li says he does not regret his six-year exile, which cut short a promising career as a mathematician.
"I rode horses every day and lived in a yurt," he said, rubbing his hands together, relishing his recollections. "We rounded up sheep, lassoed horses. I was a cowboy."

IRAQ: Fahd Asserts It Sows Discord

(Continued from Page 1)
The United Arab Emirates and Oman, are nervous about the looming power of Iran just across the waters from their more fragile regimes. They have urged that the Gulf states maintain a dialogue with Tehran.
The meeting follows several weeks of escalating hostility in the so-called "tanker war" between Iran and Iraq.
King Fahd said the Gulf War had continued unabated since 1980 because Iraq ignored "every Arab and Islamic mediation effort."

East German Freighter Rescues Freighter Crew

LONDON — The crew of the Panamanian freighter Island Queen was rescued by an East German trawler amid gale-force winds in the Atlantic, 500 miles (800 kilometers) off the west coast of Ireland, the Falmouth coast guard in Cornwall said Sunday.
The 14 Pakistani crewmen were taken aboard the Ludwig Renn from Rostock, the first ship to reach the scene after the captain put out a Mayday call, the coast guard said. The freighter was abandoned, and conditions were so bad that no salvage could be attempted during the night.

29 Die in Algerian Collision

ALGIERS — Twenty-nine persons were killed and 20 were seriously injured when a bus collided with two trucks overnight near Sefia in eastern Algeria, the official news agency APS reported Sunday.

Save 40% or more off your newsstand price when you subscribe for 12 months to the International Herald Tribune.

The longer you subscribe the more you save.

Table with columns: Country/Currency, 12 months (+ 52 FREE ISSUES), % SAVINGS, 6 months (+ 26 FREE ISSUES), % SAVINGS, 3 months (+ 13 FREE ISSUES), % SAVINGS. Rows include Austria, Belgium, Denmark, Finland, France, Germany, Gr. Britain, Greece, Ireland, Italy, Luxembourg, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, Rest of Europe, Africa, Middle East, Rest of Africa, Gulf States, Asia.

\*In Germany, hand delivery is available in major cities on publication date. For details and rates, please check here and fill in your address below. \*\*At these rates, you can get early morning hand delivery in the following cities: Oslo, Stavanger, Stockholm, Göteborg and Malmö. Offer valid through December 31, 1987 for new subscribers only.

Subscription form for International Herald Tribune with fields for Name, Address, City, Country, and checkboxes for subscription options and payment methods.

STRAUSS: Sign of a Thaw

(Continued from Page 1)
nomic Affairs, was seen as an attempt by Moscow to garner favor with West German rightists early in its new initiative.
The Christian Social Union is the most conservative wing of Mr. Kohl's coalition government.
Mr. Strauss strongly resisted the plan to eliminate shorter-range missiles and other medium-range nuclear weapons. But he has been active in dealing with Eastern Europe.

IRAN: Fahd Asserts It Sows Discord

(Continued from Page 1)
The monarch's statement also seemed to reflect the deep religious rivalry between Saudi Arabia and Iran, particularly since the Saudis accused Tehran of instigating riots in July in Mecca, Islam's holy city. Hundreds of people died in the disturbances.

East German Freighter Rescues Freighter Crew

LONDON — The crew of the Panamanian freighter Island Queen was rescued by an East German trawler amid gale-force winds in the Atlantic, 500 miles (800 kilometers) off the west coast of Ireland, the Falmouth coast guard in Cornwall said Sunday.

INTERNATIONAL CLASSIFIED (Continued from Back Page) - ESCORTS & GUIDES. Lists various services including Aristocats, Mayfair Club, Caprice-NY, Regency NY, Ambiance, and Amsterdam 2000.

Vertical sidebar with various advertisements including 'Economic', 'Rare Chance', 'Shrinking', and 'Currency'.



Market Shootout  
 Archipelago of the  
 Returning Students  
 ...

FROM TV PROGRAMMES  
 MONDAY, DECEMBER 28, 1987

TO COOKERY PROGRAMMES  
 In Touch with Tomorrow  
**TOSHIBA**  
 Page 1

**ECONOMIC SCENE**  
**A Rare Chance to Grapple With Shrinking Growth**

By STEVEN GREENHOUSE  
*New York Times Service*

PARIS — World economic growth has been shrinking, but so gradually — and so inexorably — that economists have grown accustomed to the numbers. Yet a stark tale emerges when those numbers are added together year after year and their impact is examined.

There is an academic ring to the words "slower international economic growth." But translated into human terms, these words lose their textbook abstraction. They mean longer unemployment lines from the north of England to northern Ohio and fewer opportunities for 16-year-olds from Pasadena to Paris. In the developing world, they mean something even more painful: malnourished children, ramshackle housing, high rates of infant mortality.

The numbers are telling: In the 1950s and 1960s, the global economy grew by about 5 percent a year, sending living standards galloping forward in much of the world. In the 1970s, growth fell to slightly above 3 percent, and in the '80s it has slipped to about 2.3 percent. The outlook for the next few years is for a continuing slide.

The slowdown is having serious effects on expectations and living standards in much of the world. For the average American worker, reduced growth has meant that income after inflation has not risen since 1973. In Europe, growth has been so slow that the jobless rate has soared to more than 11 percent. For the debt-plagued nations of Africa and Latin America, this slowing trend has pushed per capita income 15 percent below the levels of 1980.

Yet, as 1988 dawns, many economists believe the world faces a rare opportunity in economic history. For the first time, they say, the leading industrial nations might have the power to reverse the slowdown, mainly because of an unusual confluence of circumstances.

**'Conditions for 3 to 4 percent growth are better than at any time since the 1960s,' Marris says.**

The conditions for going back to 3 to 4 percent growth in the world economy are actually better now than they have been at any time since the 1960s, said Stephen Marris, senior economist with the Institute for International Economics in Washington.

Yet if the leading industrial nations fail to work together to help reduce trade imbalances and push growth upward, some economists warn of serious trouble. The world's fragile financial markets could take another deep plunge, they say, dragging down the world economy. If growth rates continue sliding, the trend could usher in an era of downward mobility, forcing people to work harder just to stay in the same place economically. If economic growth falls below the rate of population growth, now at 1 percent in much of the developed world, people will have to struggle to keep their living standards from falling.

Such an era of frustrated expectations could heighten tensions in the industrial world and political instability in the Third World.

"This slowdown makes it particularly difficult for the really poor countries to grow," said Angus Maddison, author of several books on world growth rates and professor of economics at the University of Groningen in the Netherlands. "Their growth is intertwined with the industrial world. They should be catching up to us and growing faster, but they are having problems because our growth has slowed."

Technically, growth is defined as the increased output in a nation's goods and services, covering everything from housing to hospital care. Many factors — from technology to economic policies — can help growth, or hinder it. After World War II, it seemed natural that growth would take off as consumer demand was unleashed and economies were rebuilt. It also seemed inevitable that growth would fall from those heady levels.

But in recent years, other, more political factors have contributed to the further slowdown. Today, some economists argue that a few nations — particularly West Germany — have been overzealous in their fight against inflation, and that, in the process, they have sacrificed global economic growth.

Many economists are clearly chagrined that leaders of the industrial world do not seem terribly alarmed about the slowdown. "The most dangerous thing is the gradual acceptance that

See GROWTH, Page 9

Carl Gewirtz is on vacation. The Eurobinds column will return next Monday.

**Last Week's Markets**  
 All figures are as of close of trading Friday

Stock Indices	12/22	12/23	% Chg	Money Rates	12/24	12/23	% Chg
DJ Industrials	1,999.67	1,975.30	-1.23	Discount rate	6	6	0
DJ Utility	175.79	178.05	+1.27	Federal funds rate	6 1/4	6 1/4	0
DJ Transp.	78.29	76.79	-1.93	Prime rate	9 1/4	9 1/4	0
S & P 100	244.65	242.75	-0.78	3-month Interbank	3 1/4	3 1/4	0
S & P 500	252.05	249.34	-1.16	6-month Interbank	3 3/4	3 3/4	0
S & P Ind	292.38	287.56	-1.68	9-month Interbank	3 3/4	3 3/4	0
NYSE Comp	404.80	399.15	-1.41	12-month Interbank	3 3/4	3 3/4	0
British				Bank base rate	9 1/2	9 1/2	0
FTSE 100	1,071.10	1,071.00	+0.02	Call money	8 1/2	8 1/2	0
FTSE 250	472.30	473.70	+0.30	3-month Interbank	3 3/4	3 3/4	0
Nikkei	21,230.00	21,230.00	0	6-month Interbank	3 3/4	3 3/4	0
Nikkei 225	22,824.97	22,824.97	0	9-month Interbank	3 3/4	3 3/4	0
West Germany				12-month Interbank	3 3/4	3 3/4	0
DAX 100	1,322.60	1,329.30	+0.51	Call money	8 1/2	8 1/2	0
France				3-month Interbank	3 3/4	3 3/4	0
CAC 40	2,279.07	2,188.46	-4.11	6-month Interbank	3 3/4	3 3/4	0
Hong Kong				9-month Interbank	3 3/4	3 3/4	0
HSE 100	4,070.00	4,070.00	0	12-month Interbank	3 3/4	3 3/4	0

**Currency Rates**  
 Dec. 23/24

Cross Rates	12/23	12/24	% Chg
Australia	1.5205	1.5205	0
Canada	1.3205	1.3205	0
Denmark	1.3605	1.3605	0
France	6.5505	6.5505	0
Germany	1.9305	1.9305	0
Italy	1.3605	1.3605	0
Japan	163.60	163.60	0
Netherlands	2.2005	2.2005	0
Spain	166.36	166.36	0
Sweden	136.76	136.76	0
Switzerland	1.4805	1.4805	0
UK	1.6305	1.6305	0

**Other Dollar Values**

Currency	12/23	12/24	% Chg
Argentine	1.0000	1.0000	0
Australian	1.5205	1.5205	0
Belgian	36.3636	36.3636	0
British	1.6305	1.6305	0
Canadian	1.3205	1.3205	0
French	6.5505	6.5505	0
German	1.9305	1.9305	0
Italian	1.3605	1.3605	0
Japanese	163.60	163.60	0
Netherlands	2.2005	2.2005	0
Portuguese	200.48	200.48	0
Spanish	166.36	166.36	0
Swedish	136.76	136.76	0
Swiss	1.4805	1.4805	0
Thai	20.3400	20.3400	0
West German	1.9305	1.9305	0
Yen	163.60	163.60	0

**Tan Freed But Again Arrested**

**Politician to Face Malaysia Charge**

SINGAPORE — Tan Koon Swan, a Malaysian politician and businessman, has been re-arrested and extradited to Malaysia immediately after being freed from a Singapore prison.

Mr. Tan had served 16 months of a two-year sentence in connection with the collapse in 1985 of Pan-Electric Industries Ltd., a major Singapore company.

He was taken Saturday from Changi prison to court for a brief extradition hearing and handed over to Malaysian police.

Mr. Tan, 47, who had held a major stake in Pan-Electric, was convicted of abetting a criminal breach of trust that contributed to the company's failure. He also was fined 500,000 Singapore dollars (currently \$249,750).

A warrant for his arrest was issued in Kuala Lumpur on Nov. 14. The Malaysian news agency Bernama said Malaysian police had obtained a court order to place Mr. Tan in custody before charging him with abetment in criminal breach of trust amounting to 23 million ringgit (\$9.2 million).

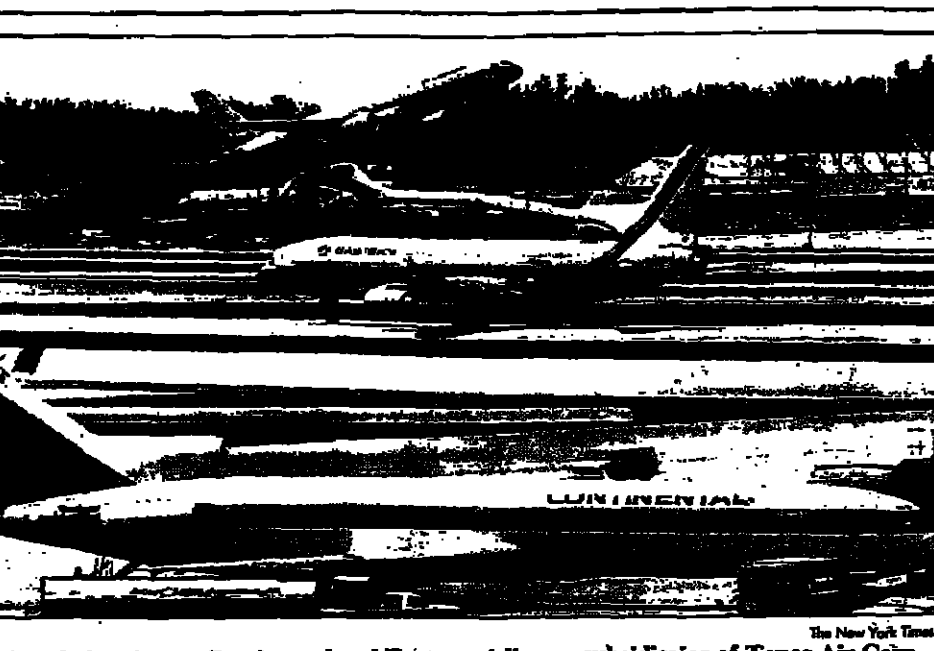
He is expected to face the charge in a Kuala Lumpur court on Monday.

A criminal breach of trust or its abetment carries a maximum 20-year prison sentence on conviction.

Pan-Electric, a hotel, industrial and salvage company with subsidiaries in Hong Kong, Britain, Brunei and Bermuda, went into receivership in November 1985, with debts of 390 million Singapore dollars.

Its collapse pulled down a network of closely related companies. As a result, trading in the Singapore and Kuala Lumpur stock markets was suspended for three days.

Mr. Tan resigned as president of the Malaysian Chinese Association, a major partner in Malaysia's coalition government, after he was sentenced.



Jets belonging to Continental and Eastern airlines, subsidiaries of Texas Air Corp.

**Eastern Sees Strength in Assets**

**Sale of Airline's Parts Is a Leading Issue in Union Talks**

By Agis Salpukas  
*New York Times Service*

NEW YORK — A few days before Frank A. Lorenzo, the chairman of Texas Air Corp., made his bid for Eastern Airlines, he called in Philip J. Bakes, then the president of Texas Air's Continental Airlines unit, to thrash out why the company should make an offer for the financially ailing airline.

Mr. Bakes, now Eastern's president, recalled in a recent interview that during their talk in January 1986, he and Mr. Lorenzo concluded that Eastern had three major attractions:

• A strong image and route system on the heavily populated East Coast that, if Eastern could be made consistently profitable, would turn it into a "premier airline."

• Resources, such as Eastern's System I reservation system, that could be used to correct some weaknesses at Continental, which did not have its own reservation system.

• Eastern's abundant assets, which would provide an insurance policy if labor costs could not be cut and operations could not be made profitable.

"If we can't turn it around, we could get our investment value out" by selling the assets, Mr. Bakes said, recalling the talk that took place at Texas Air headquarters in Houston.

This year, the possible sale of assets has come to the forefront in the maneuvering by management and the unions.

So far the two sides have not found the give-and-take formula that could lead to a settlement. Talks have been especially difficult with the International Association of Machinists, whose contract becomes open to amendment on Jan. 1.

A machinists' strike is possible, and Eastern management has been working since April on a contingency plan to keep operating in a work stoppage.

Meanwhile, Mr. Lorenzo and

**'We like to run airlines, and not dismantle them.'**

— Philip J. Bakes, Eastern's president

Mr. Bakes has left himself numerous options to wheel and deal in an effort to wear down the union and perhaps sell some of Eastern's assets to recoup part of their investment.

Mr. Bakes acknowledged that the carrier's shuttle operation, which operates between Boston, New York and Washington, had been made an independent unit this year partly because that makes it easier to sell the operation should Mr. Lorenzo choose to do so.

He noted that other assets had already been positioned for easier sale. He cited the Latin American routes, which Eastern acquired in 1982 and which have been kept as an independent subsidiary.

He stressed, however, that an easier sale was not the only motivation for such actions. The shuttle, he said, had always been a largely self-sufficient operation, so it made structural sense to give it its own president, budget and business plan.

Since the takeover by Texas Air in October 1986, Eastern has lost some of its major assets. Its System I reservation system has been transferred to Texas Air in See EASTERN, Page 9

**U.S. Research and Development Expected to Slow in 1988**

By John Burgess  
*Washington Post Service*

WASHINGTON — Growth of research and development spending in the United States is likely to slip in 1988 because of federal budget constraints, economic uncertainty and short-term corporate problems, according to researchers at the Battelle Memorial Institute.

The projected rise for 1988, adjusted for inflation, is 2.28 percent, a survey by the Columbus, Ohio, research group found. That is below the average 3.81 percent growth rate, adjusted for inflation, of U.S. research and development since 1977, Battelle said, and below the expected growth rate for 1987.

"The rate of growth of R&D is being slowed and is expected to enter a period of uncertainty," Battelle, a nonprofit, multinational organization, said in a report released last week.

Battelle's president, Douglas E. Olsen, said the figures did not necessarily reflect reduced U.S. interest in new technology. Many companies, he said, may be increasing their access to technology through licensing, joint ventures and cooperative agreements — what he called "taking advantage of technology as it's coming out of other organizations."

Research and development is considered crucial to long-term industrial and military vitality. The

election year is expected to further brake federal spending.

At the same time, many companies will be less willing to commit their own money to research and development, the research group concluded, because of sluggish

**'U.S. business has run everything in terms of quarterly profit, and focused on that rather than the long term.'**

— Halder Fisher, a senior Battelle researcher

United States has traditionally led the world in military research and development spending as a portion of gross national product, or the country's total output of goods and services. But in recent years industrialized nations such as Japan and West Germany have outstripped it in civilian research and development as measured this way, according to the Battelle report.

Efforts to rein in the federal budget deficit will crimp the flow of government research money, Battelle said. The fact that 1988 is an

election year is expected to further brake federal spending.

At the same time, many companies will be less willing to commit their own money to research and development, the research group concluded, because of sluggish

share would be one fifth of the overall increase.

But the debt crisis continues to have a severe impact on American exporters. Some of the story is dramatically told in Caterpillar's sales.

In 1981, the company shipped \$903 million of wheel loaders, bulldozers, off-highway trucks and other such equipment to Latin America. Its exports to Western Europe amounted to a bit more, at \$992 million.

In 1983, exports collapsed to \$266 million in Latin America, but fell more modestly, as the dollar strengthened, to \$771 million in Europe. By 1986, sales to Europe, at \$1.1 billion, were even greater than in 1981, but sales to debt-saddled Latin America were \$443 million, only half the 1981 total.

The debt problem has also only caused a shrinkage in the Latin American and other Third World markets, but has also accelerated a rush of foreign goods to the United States and intensified competition

**Third World Debt Is Encumbering U.S. Trade, Analysts Say**

By Clyde H. Farnsworth  
*New York Times Service*

WASHINGTON — In 1985 Venezuela wanted to buy a fleet of construction vehicles called wheel loaders from Caterpillar Tractor Co. of the United States. Because the country's crushing debt burden was forcing it to curtail imports, Caterpillar was asked to take Venezuelan iron ore in payment.

Caterpillar agreed, then found a buyer for the ore in Romania, but for payment it had to accept men's suits, which it eventually sold in London for dollars.

"Better to have gone through all that than to have lost a sale," said William F. Camis, Caterpillar's Washington manager for government affairs.

The ingenuity of Caterpillar, based in Peoria, Illinois, shows what it sometimes takes to sell to Latin America because of the generalized contraction of business brought on by the developing world's five-and-a-half-year struggle to deal with its debt burden.

Many analysts are now citing the problems of the debtor nations as among the reasons for the huge United States trade deficit.

A number of specialists contended that increased foreign capital and other assistance to the debtor nations, aimed at bolstering their economies, is essential to reverse the situation.

While exports by the United States to most other areas of the world are rising, shipments to Latin America have tumbled, falling 26 percent over five years in 1986, when the value slumped to \$31 billion from \$42.1 billion in 1981.

share would be one fifth of the overall increase.

But the debt crisis continues to have a severe impact on American exporters. Some of the story is dramatically told in Caterpillar's sales.

In 1981, the company shipped \$903 million of wheel loaders, bulldozers, off-highway trucks and other such equipment to Latin America. Its exports to Western Europe amounted to a bit more, at \$992 million.

In 1983, exports collapsed to \$266 million in Latin America, but fell more modestly, as the dollar strengthened, to \$771 million in Europe. By 1986, sales to Europe, at \$1.1 billion, were even greater than in 1981, but sales to debt-saddled Latin America were \$443 million, only half the 1981 total.

The debt problem has also only caused a shrinkage in the Latin American and other Third World markets, but has also accelerated a rush of foreign goods to the United States and intensified competition

share would be one fifth of the overall increase.

But the debt crisis continues to have a severe impact on American exporters. Some of the story is dramatically told in Caterpillar's sales.

In 1981, the company shipped \$903 million of wheel loaders, bulldozers, off-highway trucks and other such equipment to Latin America. Its exports to Western Europe amounted to a bit more, at \$992 million.

In 1983, exports collapsed to \$266 million in Latin America, but fell more modestly, as the dollar strengthened, to \$771 million in Europe. By 1986, sales to Europe, at \$1.1 billion, were even greater than in 1981, but sales to debt-saddled Latin America were \$443 million, only half the 1981 total.

The debt problem has also only caused a shrinkage in the Latin American and other Third World markets, but has also accelerated a rush of foreign goods to the United States and intensified competition

share would be one fifth of the overall increase.

But the debt crisis continues to have a severe impact on American exporters. Some of the story is dramatically told in Caterpillar's sales.

In 1981, the company shipped \$903 million of wheel loaders, bulldozers, off-highway trucks and other such equipment to Latin America. Its exports to Western Europe amounted to a bit more, at \$992 million.

In 1983, exports collapsed to \$266 million in Latin America, but fell more modestly, as the dollar strengthened, to \$771 million in Europe. By 1986, sales to Europe, at \$1.1 billion, were even greater than in 1981, but sales to debt-saddled Latin America were \$443 million, only half the 1981 total.

The debt problem has also only caused a shrinkage in the Latin American and other Third World markets, but has also accelerated a rush of foreign goods to the United States and intensified competition

share would be one fifth of the overall increase.

But the debt crisis continues to have a severe impact on American exporters. Some of the story is dramatically told in Caterpillar's sales.

In 1981, the company shipped \$903 million of wheel loaders, bulldozers, off-highway trucks and other such equipment to Latin America. Its exports to Western Europe amounted to a bit more, at \$992 million.

In 1983, exports collapsed to \$266 million in Latin America, but fell more modestly, as the dollar strengthened, to \$771 million in Europe. By 1986, sales to Europe, at \$1.1 billion, were even greater than in 1981, but sales to debt-saddled Latin America were \$443 million, only half the 1981 total.

The debt problem has also only caused a shrinkage in the Latin American and other Third World markets, but has also accelerated a rush of foreign goods to the United States and intensified competition

share would be one fifth of the overall increase.

But the debt crisis continues to have a severe impact on American exporters. Some of the story is dramatically told in Caterpillar's sales.

In 1981, the company shipped \$903 million of wheel loaders, bulldozers, off-highway trucks and other such equipment to Latin America. Its exports to Western Europe amounted to a bit more, at \$992 million.

In 1983, exports collapsed to \$266 million in Latin America, but fell more modestly, as the dollar strengthened, to \$771 million in Europe. By 1986, sales to Europe, at \$1.1 billion, were even greater than in 1981, but sales to debt-saddled Latin America were \$443 million, only half the 1981 total.

The debt problem has also only caused a shrinkage in the Latin American and other Third World markets, but has also accelerated a rush of foreign goods to the United States and intensified competition

share would be one fifth of the overall increase.

But the debt crisis continues to have a severe impact on American exporters. Some of the story is dramatically told in Caterpillar's sales.

In 1981, the company shipped \$903 million of wheel loaders, bulldozers, off-highway trucks and other such equipment to Latin America. Its exports to Western Europe amounted to a bit more, at \$992 million.

In 1983, exports collapsed to \$266 million in Latin America, but fell more modestly, as the dollar strengthened, to \$771 million in Europe. By 1986, sales to Europe, at \$1.1 billion, were even greater than in 1981, but sales to debt-saddled Latin America were \$443 million, only half the 1981 total.

The debt problem has also only caused a shrinkage in the Latin American and other Third World markets, but has also accelerated a rush of foreign goods to the United States and intensified competition

share would be one fifth of the overall increase.

But the debt crisis continues to have a severe impact on American exporters. Some of the story is dramatically told in Caterpillar's sales.

In 1981, the company shipped \$903 million of wheel loaders, bulldozers, off-highway trucks and other such equipment to Latin America. Its exports to Western Europe amounted to a bit more, at \$992 million.

In 1983, exports collapsed to \$266 million in Latin America, but fell more modestly, as the dollar strengthened, to \$771 million in Europe. By 1986, sales to Europe, at \$1.1 billion, were even greater than in 1981, but sales to debt-saddled Latin America were \$443 million, only half the 1981 total.

The debt problem has also only caused a shrinkage in the Latin American and other Third World markets, but has also accelerated a rush of foreign goods to the United States and intensified competition

**Japan's Surplus Shrinks in Wide Trade Measure**

**Foreigners Sell Japanese Stocks**

Compiled by Our Staff From Dispatches  
 TOKYO — Japan has reported that the surplus on its widest measure of trade narrowed sharply to \$5.79 billion in November from \$6.55 billion in October and \$8.14 billion the year before.

It was the seventh consecutive narrowing from previous-year levels for the surplus on the current account, which measures merchandise trade, services and certain financial transfers. Commenting on the figures released Saturday, Finance Ministry officials said that the surplus, unadjusted for seasonal factors, should continue to shrink because imports remain high.

The yen's appreciation has been the major factor behind the smaller surpluses, they noted, by making imports cheaper and Japanese exports more costly.

The merchandise trade surplus itself contracted to \$6.64 billion in November from \$7.77 billion in October and \$8.50 billion a year before. But this result, compiled on a so-called balance-of-payments basis, was less dramatic than similar figures released two weeks ago from goods clearing customs.

Those figures put the trade surplus much lower, at \$4.74 billion, down from \$5.81 billion in October and \$7.40 billion a year earlier.

Economists say that if the steady narrowing continues, international pressure on Japan to do more to cut its export-driven trade surpluses will decline.

Already, U.S. criticism is shifting to Taiwan, South Korea, Hong Kong and Singapore, whose currencies have not risen against the dollar as much as the yen has. Their exports have thus tended to replace Japanese products in the American market.

Japan's figures for November support the contention of Japanese officials that efforts to switch economic growth from exports to domestic demand are working.

Last week, the ministry announced a budget for the financial year beginning April 1, which

called for the first rise in spending in six years, the bulk of it on domestic public works projects.

According to these latest figures for November, Japan's exports rose 12.1 percent to \$18.60 billion from the previous year, while imports soared 48.7 percent to \$11.96 billion.

The balance for nonmerchandise trade items, such as banking and insurance, produced a \$3 million surplus, the first favorable balance in 19 months. It followed a \$1.0 billion deficit in October.

The deficit in the balance of long-term capital movement across Japan's borders shrank to \$14.13 billion in November from October's \$18.48 billion, partly because foreign investors continue their heavy selling of Japanese stocks.

Japan's overall balance of payments account, the final total of its international transactions, showed a deficit of \$5.42 billion, from October's \$14.57 billion. (Reuters, AFP)

called for the first rise in spending in six years, the bulk of it on domestic public works projects.

According to these latest figures for November, Japan's exports rose 12.1 percent to \$18.60 billion from the previous year, while imports soared 48.7 percent to \$11.96 billion.

The balance for nonmerchandise trade items, such as banking and insurance, produced a \$3 million surplus, the first favorable balance in 19 months. It followed a \$1.0 billion deficit in October.

The deficit in the balance of long-term capital movement across Japan's borders shrank to \$14.13 billion in November from October's \$18.48 billion, partly because foreign investors continue their heavy selling of Japanese stocks.

Japan's overall balance of payments account, the final total of its international transactions, showed a deficit of \$5.42 billion, from October's \$14.57 billion. (Reuters, AFP)

called for the first rise in spending in six years, the bulk of it on domestic public works projects.

According to these latest figures for November, Japan's exports rose 12.1 percent to \$18.60 billion from the previous year, while imports soared 48.7 percent to \$11.96 billion.

The balance for nonmerchandise trade items, such as banking and insurance, produced a \$3 million surplus, the first favorable balance in 19 months. It followed a \$1.0 billion deficit in October.

The deficit in the balance of long-term capital movement across Japan's borders shrank to \$14.13 billion in November from October's \$18.48 billion, partly because foreign investors continue their heavy selling of Japanese stocks.

Japan's overall balance of payments account, the final total of its international transactions, showed a deficit of \$5.42 billion, from October's \$14.57 billion. (Reuters, AFP)

called for the first rise in spending in six years, the bulk of it on domestic public works projects.

According to these latest figures for November, Japan's exports rose 12.1 percent to \$18.60 billion from the previous year, while imports soared 48.7 percent to \$11.96 billion.

The balance for nonmerchandise trade items, such as banking and insurance, produced a \$3 million surplus, the first favorable balance in 19 months. It followed a \$1.0 billion deficit in October.

The deficit in the balance of long-term capital movement across Japan's borders shrank to \$14.13 billion in November from October's \$18.48 billion, partly because foreign investors continue their heavy selling of Japanese stocks.

Japan's overall balance of payments account, the final total of its international transactions, showed a deficit of \$5.42 billion, from October's \$14.57 billion. (Reuters, AFP)

called for the first rise in spending in six years, the bulk of it on domestic public works projects.

According to these latest figures for November, Japan's exports rose 12.1 percent to \$18.60 billion from the previous year, while imports soared 48.7 percent to \$11.96 billion.

The balance for nonmerchandise trade items, such as banking and insurance, produced a \$3 million surplus, the first favorable balance in 19 months. It followed a \$1.0 billion deficit in October.

The deficit in the balance of long-term capital movement across Japan's borders shrank to \$14.13 billion in November from October's \$18.48 billion, partly because foreign investors continue their heavy selling of Japanese stocks.

Japan's overall balance of payments account, the final total of its international transactions, showed a deficit of \$5.42 billion, from October's \$14.57 billion. (Reuters, AFP)

called for the first rise in spending in six years, the bulk of it on domestic public works projects.

According to these latest figures for November, Japan's exports rose 12.1 percent to \$18.60 billion from the previous year, while imports soared 48.7 percent to \$11.96 billion.

The balance for nonmerchandise trade items, such as banking and insurance, produced a \$3 million surplus, the first favorable balance in 19 months. It followed a \$1.0 billion deficit in October.

The deficit in the balance of long-term capital movement across Japan's borders shrank to \$14.13 billion in November from October's \$18.48 billion, partly because foreign investors continue their heavy selling of Japanese stocks.

Japan's overall balance of payments account, the final total of its international transactions, showed a deficit of \$5.42 billion, from October's \$14.57 billion. (Reuters, AFP)

called for the first rise in spending in six years, the bulk of it on domestic public works projects.

According to these latest figures for November, Japan's exports rose 12.1 percent to \$18.60 billion from the previous year, while imports soared 48.7 percent to \$11.96 billion.

The balance for nonmerchandise trade items, such as banking and insurance, produced a \$3 million surplus, the first favorable balance in 19 months. It followed a \$1.0 billion deficit in October.

The deficit in the balance of long-term capital movement across Japan's borders shrank to \$14.13 billion in November from October's \$18.48 billion, partly because foreign investors continue their heavy selling of Japanese stocks.

Japan's overall balance of payments account, the final total of its international transactions, showed a deficit of \$5.42 billion, from October's \$14.57 billion. (Reuters, AFP)

**Seoul Says Surplus Doubles**

SEOUL — South Korea's current account surplus has more than doubled to \$8.99 billion in the first 11 months of this year from \$4.14 billion a year earlier, according to provisional figures from the Bank of Korea.

Bank officials said Saturday that the surplus for 1987 could exceed \$10 billion, compared with \$4.62 billion in 1986.

The Finance Ministry said last Monday that Seoul would cut tariffs on 194 products to try to reduce its growing trade surplus and ease trade frictions with the United States and the European Community.

According to the bank, November's surplus in the current account, a broad trade measure that includes merchandise as well as nonmerchandise items such as services, widened to \$1.01 billion from \$968 million in October and \$925 million in November 1986.

The merchandise trade surplus narrowed to \$839 million from \$864 million in October



Weekly International Bond Prices

Provided by Credit Suisse First Boston Securities, London, Tel.: 01 323 11 30

Weekly Dollar Straights

Table listing bond prices for various countries including Australia, Canada, Japan, and the United States.

Main table of weekly international bond prices with columns for Issuer, Con, Mat, Price, Yld, and Cur.

Table of weekly international bond prices, including a section for Non-European bonds.

Table of weekly international bond prices, including a section for DM Zero Coupons.

Table of weekly international bond prices, including a section for Yen Straights.

Mutual Funds

Table listing mutual fund performance metrics such as NAV, YTD, and 12-month returns.

Main table of mutual fund performance data with columns for Fund Name, NAV, YTD, and 12-month returns.

Dollar Zero Coupons

Table listing dollar zero coupon bond prices and yields.

DM Straights

Table listing DM straight bond prices and yields.

DM Zero Coupons

Table listing DM zero coupon bond prices and yields.

ECU Straights

Table listing ECU straight bond prices and yields.

Table listing international bond prices, including a section for Wall Street Review.

Wall Street Review section with sub-sections for NYSE Most Actives, AMEX Most Actives, NYSE Sales, AMEX Sales, NYSE Diaries, and AMEX Diaries.

WestLB advertisement for Fixed Income and Equities Trading, including contact information for various offices.



# Japanese Investors Report Caution on U.S. Bonds

**TOKYO** — Japanese institutional investors are likely to limit their purchases of U.S. Treasury securities in 1988 because of continued concern about foreign exchange losses, investment managers say.

However, one factor that would make Treasury bonds attractive is the strong likelihood of a decline in U.S. interest rates next year, they said, mainly because of political pressures to keep the U.S. economy growing before the November presidential election. With bond prices moving inversely to changes in interest rates, any lowering of rates would boost the value of bonds.

Even so, Japanese investors in Treasuries are likely to incur more currency losses from their holdings because of the yen's surge against the dollar in the financial year that will end in March 1988, according to sources in the life insurance industry, a major source of investment funds.

The precise amount of these holdings is not easily determined, but early in 1987, the amount of Japanese funds invested in U.S. government securities and corporate bonds was estimated at about \$100 billion.

Japanese life insurers will suffer book losses on their investments in U.S. securities if the dollar drops below 127 yen by the end of the fiscal year, the bond managers said. The yen is currently trading at around 126 to the dollar, having risen by 27 percent from 160 yen at the beginning of the year.

Finance Ministry guidelines say life insurers should write off such losses on foreign bonds if exchange rates at the end of the year vary more than 15 percent from the date of purchase.

"We will continue to be cautious on U.S. securities investments as long as we haven't decided that the dollar has bottomed out against the yen," said Katsuyuki Ichikawa, manager at the bond investment and management department of Daiwa Investment Trust Management Co.

"We can't be bullish next year, too," Mr. Ichikawa said. "We are seriously looking for a new place to put our funds, but no other market is big enough to absorb them," he added.

"The dollar could stop falling at 120 yen per dollar, but nobody knows," he said.

The U.S. economy could weaken in 1988 as a delayed result of the Oct. 19 stock price plunge, he added. With slower demand for investment funds likely to push interest rates lower, bond prices should rise.

But others disagreed. "I doubt if U.S. bond prices will rise in 1988, to say nothing of the dollar's probable weakness," said Osamu Koizumi, assistant manager at the international investment department of Yasuda Trust & Banking Co.

Cheaper oil could improve U.S. trade figures in coming months, which would give the dollar some support, he said, yet an easier U.S. monetary policy could still cause further dollar declines.

"We will continue to avoid U.S. securities next year," Mr. Koizumi said.

"Japanese investors will look more closely at the U.S. economic indicators in coming months than ever, because they are keen to gauge the real strength of the U.S. economy," said a foreign bond manager at a leading securities house.

Japanese investors needed to be assured that the dollar is starting to rebound before resuming investment, he said, although they believe it is near the bottom.

"If they see a hint that the U.S. economy is weak, it will be no surprise if they resume investing in U.S. securities in 1988," he said.

# SAS: Preparing for Less Friendly Skies

Jan Carlzon, president of Scandinavian Airlines System, returned to Stockholm last week from London after losing out to British Airways PLC in a bid for a stake in the other major British airline, British Caledonian Group PLC. Amid moves to deregulate European air travel, he discussed the pressures for such mergers with the IHT's Juris Kaza.

The more we wait, the more difficult will be the situation in selecting airlines one really wants to cooperate with. There will be other linkages taking place.

You mentioned Asian and North American airlines. What makes them such a competitive challenge to you and the others in Europe?

For the Asian airlines, the cost situation is the greatest advantage for them. If you look

five future airlines. We have to find alliances in Europe to widen our foreign market base.

Q. What could be done now, to further liberalize European aviation?

A. Look at the difficulties we had in making an offer to Caledonian. We couldn't bid for 100 percent while British Airways could because they were British. We could only bid for less than 25 percent and only if we had one other British investor with a bigger stake than SAS, and so forth. These kinds of rules, and they are the international rule for aviation today, have to be changed if the politicians in Europe really want to have a liberalization of policies.

Q. Let's get back to your role as head of SAS. You came in and turned the airline around. That's done. Is the new phase of finding the right partner more difficult?

A. It is a critical and difficult situation. We are one of the most profitable and efficient airlines in Europe, but the competition is increasing from year to year. We are facing quite a different situation and we want to position ourselves in advance to handle that, to turn risks into possibilities. But the basics for SAS have not changed. We have realized that we are in a service business, that we are in a competitive business, and that the environment is changing. That was the main thing I gave to SAS, this commercial and business thinking, and from that come all these developments and steps we are trying to take.

Q. Is the transformation of SAS something, then, that could make you an attractive partner because of these management skills and experiences?

A. My experience in the last months, and not the least in the negotiations just ended, is that we do not have to "sell" ourselves to any airline anymore. It is easy to see that we are an attractive partner.

Q. Do you think that in the early part of next year you will be talking to another potential partner?

A. We sure will.

# Path of Spending Is Still Guesswork

By Michael Quint  
New York Times Service

**NEW YORK** — Ten weeks after the steep decline in stock prices, credit market participants are still guessing about the likely effects on consumer spending, the economy and interest rates.

While many economists estimate that the steep stock decline will

exacerbate the slowdown in consumer spending that was already under way, the only statement they can make with confidence is that answers about consumer behavior will be clearer early next year than they are today.

Retail sales for December, to be published Jan. 14, are not expected to show much of an increase over November's gain of 0.2 percent.

After steep declines in retail sales during September and October, a modest gain of only 0.5 percent or so in December is likely to reinforce expectations that the slowdown in consumer spending will soon lead to cutbacks in production and a noticeable decline in overall economic growth.

Donald Fine, chief market analyst at Chase Manhattan Bank, said that the bond market had still not fully digested the implications of the automobile rebates and price-cutting at retail stores that have supported sales recently.

Besides helping to dampen increases in consumer prices, he noted that price-cutting was robbing sales from early next year. The result, he said, is a greater probability of a slowdown in the economy in the first quarter that would be the catalyst for lower interest rates.

Recent activity in the bond market suggests that others also expect lower rates in the future. At Friday's closing level of 99 17/32 to yield 8.92 percent, the Treasury's 8 1/2 percent issue due in 2017 was up more than 5 points from its price of Dec. 11, when it yielded 9.45 percent.

Economists noted that changes in federal tax laws beginning next year might have some impact on the public's willingness to buy.

Jason Bendersly, an economist at Goldman, Sachs & Co., estimated that if the Treasury adjusts the withholding tax schedules to give back all of the over-withholding of 1987 as well as the 1988 decline in tax rates, about \$24 billion would be added to consumers' pocketbooks next year. If the new withholding tables allow just for the lower tax rates in 1988, only about \$8 billion will be added.

In any case, the changes are relatively small compared with the approximately \$3 trillion base of personal income. A net change of \$10 billion in tax refunds for example, represents a change of slightly more than 0.3 percent and would be dwarfed by changes in employment within the economy.

that if the Treasury adjusts the withholding tax schedules to give back all of the over-withholding of 1987 as well as the 1988 decline in tax rates, about \$24 billion would be added to consumers' pocketbooks next year. If the new withholding tables allow just for the lower tax rates in 1988, only about \$8 billion will be added.

In any case, the changes are relatively small compared with the approximately \$3 trillion base of personal income. A net change of \$10 billion in tax refunds for example, represents a change of slightly more than 0.3 percent and would be dwarfed by changes in employment within the economy.

Japanese investors needed to be assured that the dollar is starting to rebound before resuming investment, he said, although they believe it is near the bottom.

"If they see a hint that the U.S. economy is weak, it will be no surprise if they resume investing in U.S. securities in 1988," he said.

## U.S. Consumer Rates

	Dec. 24
Two-Week Simple Average	7.85%
Money Market Funds	8.00%
Domestic 3-Month Average	8.00%
Bank Money Market Accounts	8.00%
Bank 3-Month Deposits	8.00%
Home Mortgages, Fully Amortized	8.00%

Source: New York Times.

# GROWTH: Addressing the Shrinking World Economy

(Continued from first finance page)

if all we have is 2 percent growth, that's O.K., without thinking that for many people real earnings will remain basically unchanged throughout their lifetimes," said Jean Besset, director of the World Bank's international economics department. "That will be very different from the societies we built in the 1950s and 1960s, where there were expectations of improvement."

Although some economists say the 25-year period after World War

achieving faster growth," Mr. Maris said, "is we have to correct this incredible disequilibrium, and it will be very difficult to do that while avoiding a recession."

Mr. Maris was one of 33 prominent economists from 13 countries who signed a statement earlier this month calling on Washington, Bonn and Tokyo to take more decisive actions to reduce trade imbalances. The economists said Washington should try to cut domestic demand and imports further, and must go beyond its recent budget deficit reductions. It must, they say, cut last year's \$148 billion deficit by an additional \$40 billion a year for several years.

The economists also urged West Germany to raise imports and accelerate and expand tax cuts scheduled for 1990. And they urged Japan to push domestic demand growth above 4 percent a year.

Although most economists agree on what these three nations must do, they say improved world economic growth could become a hostage to domestic political constraints. Bonn and, to a lesser degree, Tokyo, fret that greater stimulus will mean increased inflation and angry voters. In an election year, Washington worries about how voters will react to higher taxes or more budget cuts.

"Coordination means each would have to do what's good for the world economy, but they don't want to do it," said Lester Thurow, an economist and dean of the Sloan School of Management at the Massachusetts Institute of Technology.

The quadrupling of oil prices in 1973 is often called the turning point, when world economic growth started to slow. But other forces were already at work, including higher taxes for social welfare programs, increased government regulation, higher inflation, and exchange-rate volatility. These, in turn, contributed to a declining rate of business investment that had long served as a powerful flywheel that kept growth humming even when consumer spending slowed.

Sluggish investment hurt production, making it tougher to achieve economic growth without inflation.

During the 1970s, governments began an about-face, trying to slow growth in order to stamp out inflation.

Then came the second oil price shock in 1979. Creeping inflation began galloping; fighting it became a priority worldwide. Governments slammed the brakes on growth — in ways that ranged from curbing spending to raising interest rates.

In the 1960s, governments were willing to push against capacity more than they are today, and there was a kind of optimism about the inflationary consequences, a feeling that inflation could be limited or that it could be lived with," said Georges de Menil, an economics professor at the Ecole des Hautes Etudes en Sciences Sociales in Paris. "That feeling has changed pro-

foundly throughout the industrial world. That is one reason why growth is not faster than it is today."

But according to Mr. de Menil, today's slower growth — provided growth continues — might be preferable to the heady growth of previous decades because it is less inflationary and therefore more sustainable.

Nevertheless, many economists see several underlying problems with the slow-growth, anti-inflation approach. In particular, they say, the fight against inflation is causing economic growth to fall short of its potential.

"Another problem that many economists see with the anti-inflation fight is that Europe and Japan have taken one approach and the United States another. After the 1979 oil shock, Europe and Japan adopted policies of fiscal consolidation, slashing budget deficits and cutting the ratio of their budgets to their gross national product. Meanwhile, in Washington, the Federal Reserve Board jacked up interest rates to help whip inflation while the Reagan administration pushed through huge tax cuts that produced gargantuan budget deficits.

Taken together, these disparate approaches sent the dollar soaring and generated a huge U.S. trade deficit and enormous German and Japanese trade surpluses.

"These policy mess-ups create much more skepticism about the

"This slowdown makes it difficult for the really poor countries to grow. They should be catching up to us."

— Angus Maddison, economist and author

power of government to do anything good about the economy and about long-term growth in demand," said Andrea Baltho, an Oxford University economist who has written extensively on world growth.

Many economists say that reconciling the disparate approaches to fighting inflation, thereby reducing trade imbalances, would help lead to faster growth. Resolving the Third World debt problem would also be a boon to growth, they say.

"Brazil, Argentina, a lot of these countries used to be very dynamic economies," said Richard Portes, director of the Center for Economic Policy Research in London. "But because everyone is worried about having to bail out a few banks, we have not yet taken the bold steps needed to bring the less developed countries back to being dynamic contributors to world growth."

# EASTERN: Assets Are a Leading Issue in Union Talks

(Continued from first finance page)

return for a \$100 million note. Some analysts have said the system was worth much more than that. Eastern now pays Texas Air \$10 million a month for the use of the system.

Eastern has also sold planes to other airlines and to Continental. Some union leaders have said that the sale and transfer of assets has made Texas Air vulnerable to lawsuits from employee shareholders who contend that the actions reduce the value of their holdings.

brought against Texas Air and its officials by unions on behalf of their members.

Union leaders such as Charles Bryan, the president of District 100 of the International Association of Machinists and Aerospace Workers, which represents about 13,000 of Eastern's 38,000 workers, hope that the courts will block further asset sales and, possibly, overturn the entire acquisition of Eastern by Texas Air.

The unions have already had some victories, including a judge's

decision that Eastern could not transfer some machinists to an independent subsidiary, since doing so would jeopardize the protection they have under their labor contract.

For his part, Mr. Bakes stressed that neither he nor Mr. Lorenzo wanted to sell any assets. "We like to run airlines and not to dismantle them," he said.

But he left little doubt that the unions did not agree to significant changes in labor costs, he said. Mr. Lorenzo would sell parts of the carrier.

The European strength to support your European strategy.

When your goals are European, what's more logical than consulting a bank that helped create the ECU, that's exploring new frontiers with the funding of Eurotunnel and that's a major partner in industrial and commercial development in every EEC member state?

Talk to Credit Lyonnais. And get a positive response.

CREDIT LYONNAIS.  
LE POUVOIR DE DIRE OUI.







Japan Domestic Airline, Toa, to Change Name

Agence France-Press TOKYO — Japan's Toa Domestic Airlines will change its name to Nippon Airlines System on April 1, according to company officials.

The company decided to change its name because it plans to advance into international transportation services after the deregulation of Japan's airline industry, the officials said Saturday. Toa is one of Japan's three major airlines along with Japan Air Lines and All Nippon Airways, which both fly international routes.

Euromarts At a Glance

Table with columns for Eurobond Yields and Weekly Sales. Includes data for U.S. 8 1/2% last, 8 yrs & over, and weekly sales for primary and secondary markets.

Table for Weekly Sales, Primary Market, showing Euroclear and Nasdaq sales for various countries like U.S., Canada, France, etc.

Table for Weekly Sales, Secondary Market, showing Euroclear and Nasdaq sales for various countries.

Table for Libor Rates, showing 1-month, 3-month, and 6-month rates for U.S., Deutsche mark, French franc, and Yen.

Reebok Rated Most Profitable in U.S.

NEW YORK — Reebok International, the athletic apparel manufacturer best known for its popular shoes, was the most profitable company in the United States in an annual ranking by Forbes magazine.

Reebok, based in Canton, Massachusetts, led 880 profitable companies in terms of return on equity, the measure of how much a corporation earns on its shareholders' investment, Forbes said in its Jan. 11 issue.

The business magazine tallied the firms' return on equity over the past three to five years. Reebok had a more than 200 percent average return over the past three years, with a 52 percent return in the most recent 12 months.

Because the rankings consider a company's aggregate performance over several years, some of the companies with recent profit declines or losses were given high rankings because of their past strength.

For example, second on the list was Centrust Savings Bank, a Miami-based savings and loan company, that also had a more than 200 percent

return over the past three years but showed a decline in profitability over the past 12 months.

Third on the list was Anchor Glass Container, of Tampa, Florida, which had a 166.6 percent return over the past three years and 34.7 percent in the past 12 months.

Fourth was Coleco Industries Inc., of West Hartford, Connecticut, which had soaring profits over the past five years thanks to its Cabbage Patch dolls. Coleco had a nearly 97 percent return on equity in the past five years, but in the most recent 12 months the toymaker has shows losses.

Chrysler Corp. ranked fifth, with a 71.3 percent return over three years and 23.8 percent in the past year.

At the opposite end of the scale, the least profitable company among the 880 ranked by Forbes, was Cameron Iron Works of Houston, with a 0.1 percent return over five years and a decline in the past 12 months.

Forbes said the median return over the past 12 months was 13.6 percent, up only slightly from 13 percent in its 1986 survey. The magazine predicted that, considering companies' most recent results, overall return on equity would continue declining.

Indonesia Liberalizes Its Stock Exchange

JAKARTA — Indonesia's stock market got a deregulatory jolt last week, leaving businessmen wondering whether one of the least active financial institutions in the world will finally begin to stir.

In the first major change since the exchange was set up 10 years ago, the government on Thursday announced measures that among other things create an over-the-counter market where foreign investors can participate.

Twenty-four companies, 18 of them joint ventures, are currently listed on the stock exchange. Trading has averaged only a few thousand shares a day, and sometimes no shares change hands.

The new market index, which began at 100, peaked at 123 in 1982 and has been in decline ever since. It stood at 92 on Thursday.

The measures were included in a broad package of moves to deregulate industry, trade and investment in order to boost the country's small and struggling private sector. The changes in the capital mar-

ket will make it easier for companies to become listed and for the public to buy their stocks.

Companies seeking a stock exchange listing will no longer be required to show a 10 percent profit on capital in the previous year, although they must show a profit. And the necessary documents have been reduced to two, an annual report and a prospectus, from eight.

The over-the-counter market will allow companies to sell shares directly to the public instead of just through approved brokers. Using this exchange, foreigners will also be able to buy shares for the first time, although they will have no corporate voting rights.

The new market is meant especially for "young companies with bright prospects" that fail to meet the original stock exchange's requirements, Finance Minister Rudi Prawiro said.

Initial reaction from local and foreign businessmen was muted. The changes are not likely to make Indonesian stocks competitive with

American Exchange Options

Figures as of close of trading Thursday

Table of American Exchange Options with columns for Option & price, Calls, Puts, and various stock symbols like IBM, GE, etc.

Chicago Exchange Options

Figures as of close of trading Thursday

Table of Chicago Exchange Options with columns for Option & price, Calls, Puts, and various stock symbols like IBM, GE, etc.

NASDAQ National Market

OTC Consolidated trading for week ended Thursday

Large table of NASDAQ National Market data, including columns for Sales in 100s, High, Low, Close, and Net change for various companies.

Table of market data for various companies, including columns for Sales in 100s, High, Low, Close, and Net change.

Chicago Exchange Options

Figures as of close of trading Thursday

Table of Chicago Exchange Options with columns for Option & price, Calls, Puts, and various stock symbols like IBM, GE, etc.

Chicago Exchange Options

Figures as of close of trading Thursday

Table of Chicago Exchange Options with columns for Option & price, Calls, Puts, and various stock symbols like IBM, GE, etc.





SPORTS

SPORTS BRIEFS

Italian Renounces Long Jump Bronze Medal

PADUA, Italy (Combined Dispatches) — Long jumper Giovanni Evangelisti said Saturday he is "renouncing" the bronze medal he won Sept. 7 at the World Track and Field Championships in Rome to end a dispute over the length of his leap.

Noise at Series Reached Jackhammer Levels

WASHINGTON (WP) — The noise at the Minneapolis Metrodome during the World Series reached jackhammer levels and may have affected the motor skills of some players during the second game, according to a report in the current issue of The Journal of the American Medical Association.

Quotable

Michael Jordan of the Chicago Bulls, after a golf game with Jim McMahon of the Bears: "The difference between me and Jim is he throws his clubs farther than he gets mad." (LAT)

VANTAGE POINT/Ira Berkow
Calling It Quits in College Basketball

NEW YORK — If this keeps up, it might soon be determined that quitting is sweeping the country.

Making your team disappear — Presto! like Blackstone — from the floor or field during a sporting contest could become as big a thing as, once upon a time, the hoop de hula, the cutless trouser or even, heaven forbid, the Wave.

Fans have witnessed games called on account of darkness, or fog, or rain, or riot, or leaky roof or earthquake. But rarely for pique. Unless, of course, it was your bat and your ball.

Mostly, though, there is in the United States a tradition of seeing it through, of biting the bullet, of gettin' 'em the next time. But, withal, leaving them a little token of your esteem, like a reverberating ear drum from an explosive or two, or some kicked dirt on their shoes, or a little dew on their face from a close encounter of a moist and heated kind.

And for his second number, some in the stands must surely have thought he was going to saw his center in half. They would be disappointed.

Delle Bovi's reason for making his team fade into the thin Texas air? Because he was less than enamored of the officiating.

He decided at that moment that he wouldn't give the referees the continuing satisfaction of believing his team. Nor would he invite the referees — certainly without friend or family, for who on earth would want anything to do with these bandits, anyway? — home for Christmas dinner.

This follows by a few weeks the celebrated suit and retreat of Bobby Knight, the commanding general of the Indiana Hoosiers' college basketball team.

Now Knight is admired by many as a tactician of the highest order in the game of basket-

ball. But he has his flip side, to be sure. "I bow to no one," wrote Steve Jacobson of Newsday, "in my ambivalence for Bobby Knight."

Both have apologized to the higher powers — that is, the bosses at their schools. Knight was given a reprimand by the school president. Manhattan has not yet made a decision on Delle Bovi.

Shortly after Knight had pulled his team from the floor, Delle Bovi was interviewed on a radio sports talk show and wondered aloud what would be his fate if he took his team off the floor.

After all, Knight is a figure of nearly defile proportions in Indiana. Delle Bovi is a young man in his second year as head coach at the New York school.

Knight has won national championships and made a national spectacle of himself on numerous occasions. Knight seems big enough to overcome this. One hopes that Delle Bovi can, too. It is unfortunate that he may be remembered only for this move, for Manhattan is not an NCAA power, he is not a subject of a national best-seller, he is not laboring in a college-basketball frenzied setting.

He's a guy trying to find his way in his profession, and at a school that places academics above mere games or demigods. It seems obvious that consciously or subconsciously Delle Bovi imitated one perverse move of Knight's. One wonders how many more coaches will willy-nilly follow in this path.

Beyond the matter of how such activity fits into the educational mode, fans and those running and broadcasting sports events must be concerned.

If a game is called on account of a temper tantrum, shouldn't the fan or sponsor get his money back? Or does five innings of a ball game, or two periods of a hockey game or half of a basketball game constitute having got your money's worth?

Such financial concerns, along with the lesser ones of sportsmanship, perseverance and democracy, may have to be hammered out if this trend toward quitting continues.

WORLD STOCKS IN REVIEW / Via Agence France-Press

Amsterdam — Amsterdam stocks rose moderately last week, although volume was low at 1.09 billion guilders, against 1.63 billion the previous week.

On Monday, the market rose, taking its cue from a firm Wall Street. It managed a slight gain on Tuesday and another Wednesday, before rising 3 points on Thursday. One dealer described market feeling as "quietly buoyant."

Frankfurt — Frankfurt share prices rose a strong 17.6 points on Monday, buoyed by a firm Wall Street the previous Friday, but then marked time for the rest of the short trading week.

The composite index of all common stocks listed on the market's first section also suffered a hefty 115.97-point weekly loss to 1,717.51. The market had opened the week on a firm note, led by high-technology issues, as the yen's rate against the dollar appeared to stabilize.

But from Tuesday on, the market fell steadily. Friday and Saturday saw heavy losses after the dollar's plunge on Friday. The dollar hit a postwar low of 125.10 yen in Tokyo trading Friday before closing at 125.20 yen.

As the dollar sank, many investors became increasingly pessimistic about market trends for the New Year. After the December liquidation was settled on Thursday, many investors rushed to dispose of holdings before the year-end to try to avoid further losses, brokers said.

Hong Kong — Strong buying, except for Tuesday, pushed the Hang Seng index up a handsome 198.61 points for the week to close at 2,379.07 at the end of Thursday's half-day session.

The broader-based Hong Kong Index gained 131.60 points, finishing at 1,556.96. Average daily volume was 877.4 million Hong Kong dollars, up from the previous week's 732.6 million dollars.

Share prices soared on Monday, pushing the Hang Seng index up 97.67 points. On Tuesday, profit-taking erased most of the day's gains, but buying was strong on Wednesday and Thursday.

Dealers said buying was unexpectedly active in Thursday's preholiday trading and attributed the surge largely to revived interest in local shares on the part of foreign investors.

Milan — Milan share prices finished a three-day trading week almost unchanged. The Comit index closed Wednesday at 504.97, against 504.36 the previous Friday.

Volume was low, at about 64 billion lire a day, against 120 billion a day the previous week. Rumors of an impending Montedison capital increase brought large sales of that stock, which lost 4.6 percent for the week. Olivetti rose by 3.3 percent.

Paris — The Paris Bourse had a low-key week, reacting quietly to both good and bad news, analysis said.

The CAC share-price index finished on Wednesday at 289.7, against 281.7 the previous Friday. An unexpected strike by clerical staff on Thursday to protest against a firing prevented most quotations, so that no CAC index could be computed for that day.

Tuesday marked the end of the 1987 bourse year, one of the worst of the past few decades, with stock prices losing 26.5 percent for the year.

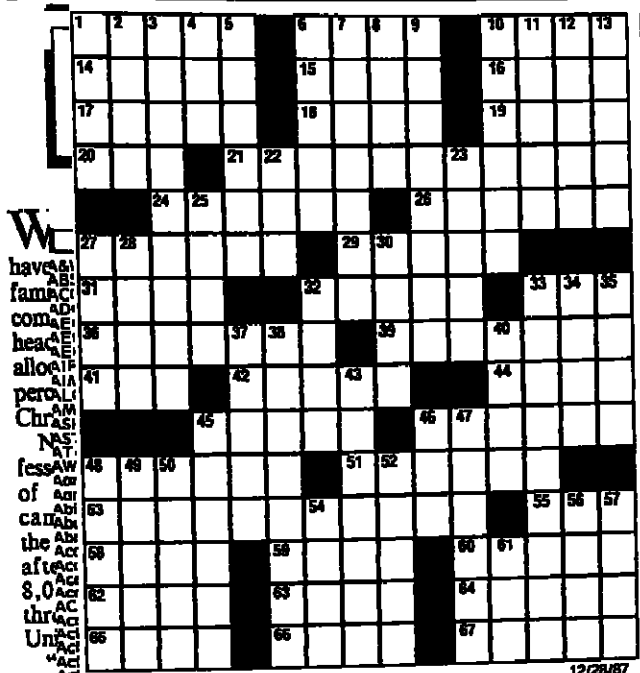
Singapore — The Singapore stock market closed the holiday-shortened week on a high note Wednesday, registering its eighth consecutive daily gain.

That is the longest uninterrupted rise since the world stock price collapse on Oct. 19. The Straits Times industrial index rose 60.04 points during the three trading days to end at 833.15, while the Stock Exchange of Singapore index advanced 11 points to 255.77.

Market observers said one reason for the rally was the expectation that there would be a strong rebound in the first half of 1988. They also said that foreign-fund managers, especially Japanese, were likely to return after the year-end holidays.

Lack of sustained selling pressure was also said to be a major factor in the steadiness of the market, which had seen panic selling for the major part of the previous five weeks.

Average volume for the three days was on the high side with 32.5 million shares, valued at



ACROSS
1 Infield fly
6 Qualified
10 Popcorn partners
14 Tickle punk
15 Make headway
16 "Ben Adhem":
17 Mature
18 Assist an
19 Silk, in
20 — turn
21 Mayor and
24 "Phantom
26 Spreads by
27 Wisdom bits
29 Relative of a
31 Wood-trim-
32 Drag one's feet
33 Couple
36 Quite large
39 Cut a cusp
41 Sette preceder
42 Oodles
44 Ubangi feeder
45 — Alighieri
46 Patters'
48 In the neigh-
51 Helix
53 Renowned
55 June honoree
58 "— a Kick
59 "Out of You"
59 Never,
60 Metrical feet
62 Convinced
63 White-tailed
64 Some what
65 Hold court
66 Surf sound
67 Tied up in
68 Knots
69 "You're Only
70 "Old One!"
71 author
72 Electees
73 Fabric for a
74 summer frock
75 Vicinity
76 Card player's
77 decision
78 An Adams
79 Rods for hoods
80 Senator's spot
81 Papa or boss
82 Shoe feature
83 Keats
84 Mel of many
85 voices
86 Chelsea
87 resident, e.g.
88 Big horn
89 Downward
90 slope
91 Housecoat
92 Walter
93 Raleigh, for
94 one
95 Monet
96 Stupidly
97 imitative
98 Mischief-
99 maker
100 "Norma"
101 "Louise" or
102 "Norma"
103 Intrinsically
104 Claudius's
105 successor
106 Basics
107 Embankment
108 Passion ender
109 New York Times, edited by Eugene Malachuk.

DENNIS THE MENACE



JUMBLE

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.
LIDUF
ESHOU
POOPSE
SLAQU
Answer here: YOU

WEATHER

Table with columns for EUROPE, ASIA, NORTH AMERICA, MIDDLE EAST, OCEANIA. Lists cities and weather conditions.

MONDAY'S FORECAST — CHANNEL: Rough, FRANKFURT: Partly cloudy, TEMPE: Partly cloudy, LONDON: Cloudy, ROMA: Partly cloudy, TOKYO: Partly cloudy.

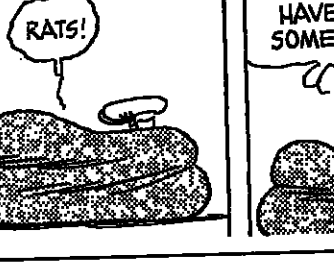
PEANUTS



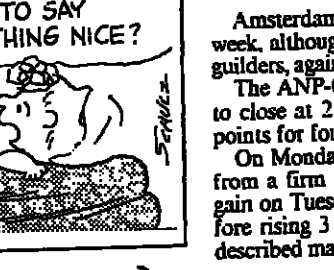
BLONDIE



BETLE BAILEY



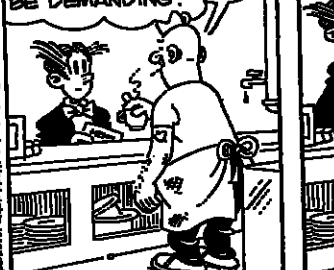
ANDY CAPP



WIZARD of ID



REX MORGAN



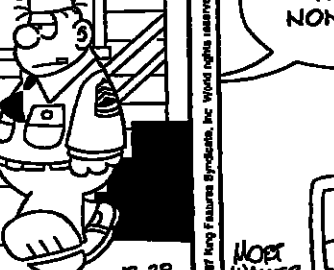
GARFIELD



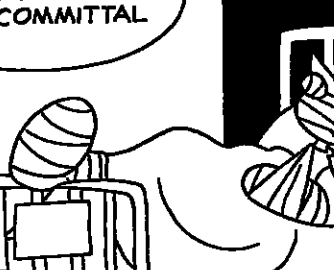
STAMP STOMP STOMP



Y'KNOW...



HE HAS SINGLE-



WHEN CHARLIE



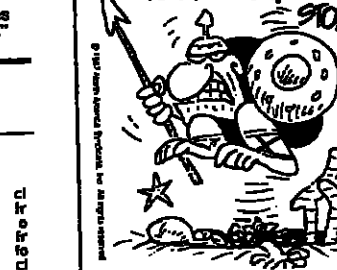
I TOLD YOU I DIDN'T



YOU'VE MADE GREAT



HA AAAACK!



BOY, TALK ABOUT



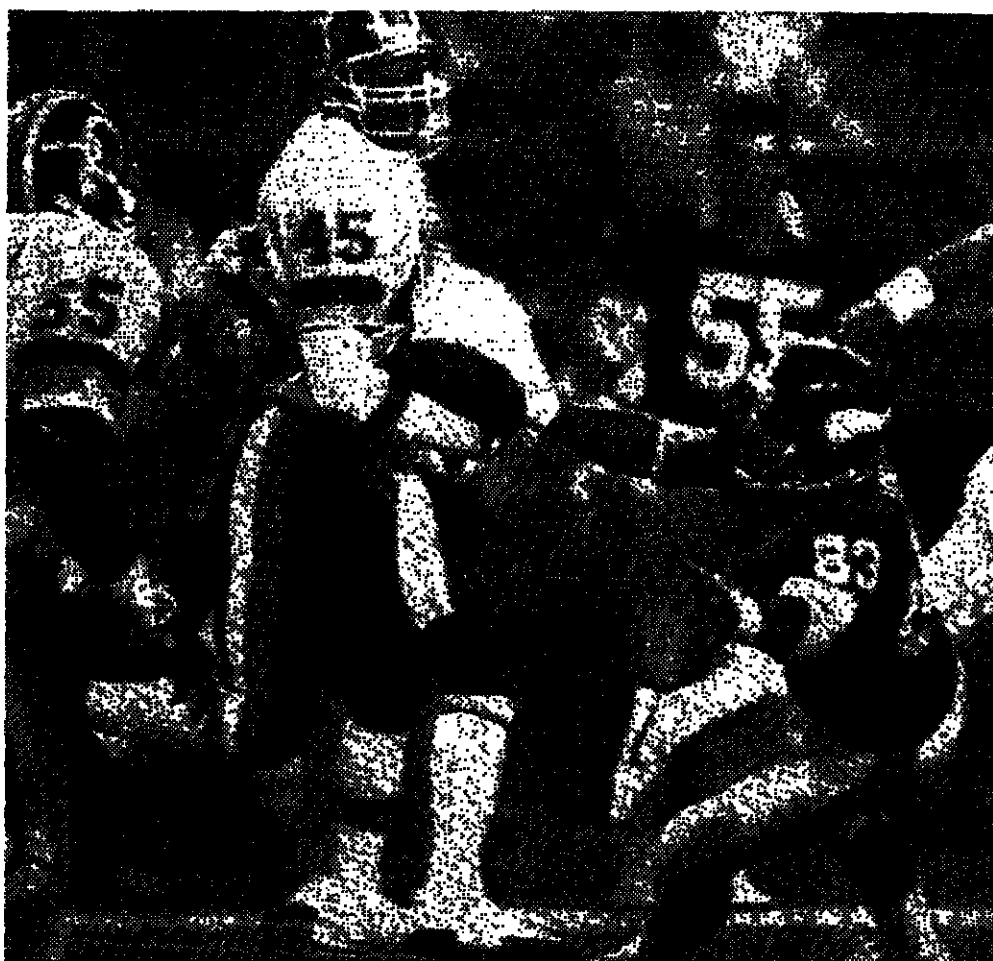
Large vertical advertisement on the right edge of the page, partially cut off, mentioning 'Okla' and 'Game 1'.



SPORTS

UCLA, Oklahoma St. Bowl Game Winners

Compiled by Our Staff From Dispatches
NEW YORK — The sun shone on UCLA in Hawaii and Oklahoma State survived a white Christmas in Texas as the two ranked teams came up with college football bowl victories.



Barry Wilburn (45), returning an interception 100 yards for Washington's first touchdown.

Cowboys Beat Cardinals, 21-16, Giving Playoff Spot to Vikings

The Associated Press
IRVING, Texas — Herschel Walker scored two touchdowns and played the perfect decoy on Steve Feltner's game-winning 5-yard touchdown run on Sunday as the Dallas Cowboys killed the St. Louis Cardinals' playoff hopes with a 21-16 National Football League victory here.

Carr Hasn't Lost the Knack For Shattering Backboards

The Associated Press
PHILADELPHIA — Atlanta Hawk forward Antonio Carr was suspended from Friday night's National Basketball League game against the Philadelphia 76ers after he shattered a backboard attempting a slam dunk in pregame practice.

Syracuse Doubles Up in New Orleans

New York Times Service
NEW YORK — Syracuse University is sending two football teams to the Sugar Bowl.

SCOREBOARD

Table with columns for National Basketball Association Standings, Eastern Conference, and Western Conference. Lists teams like Boston, Philadelphia, and New York with their records.

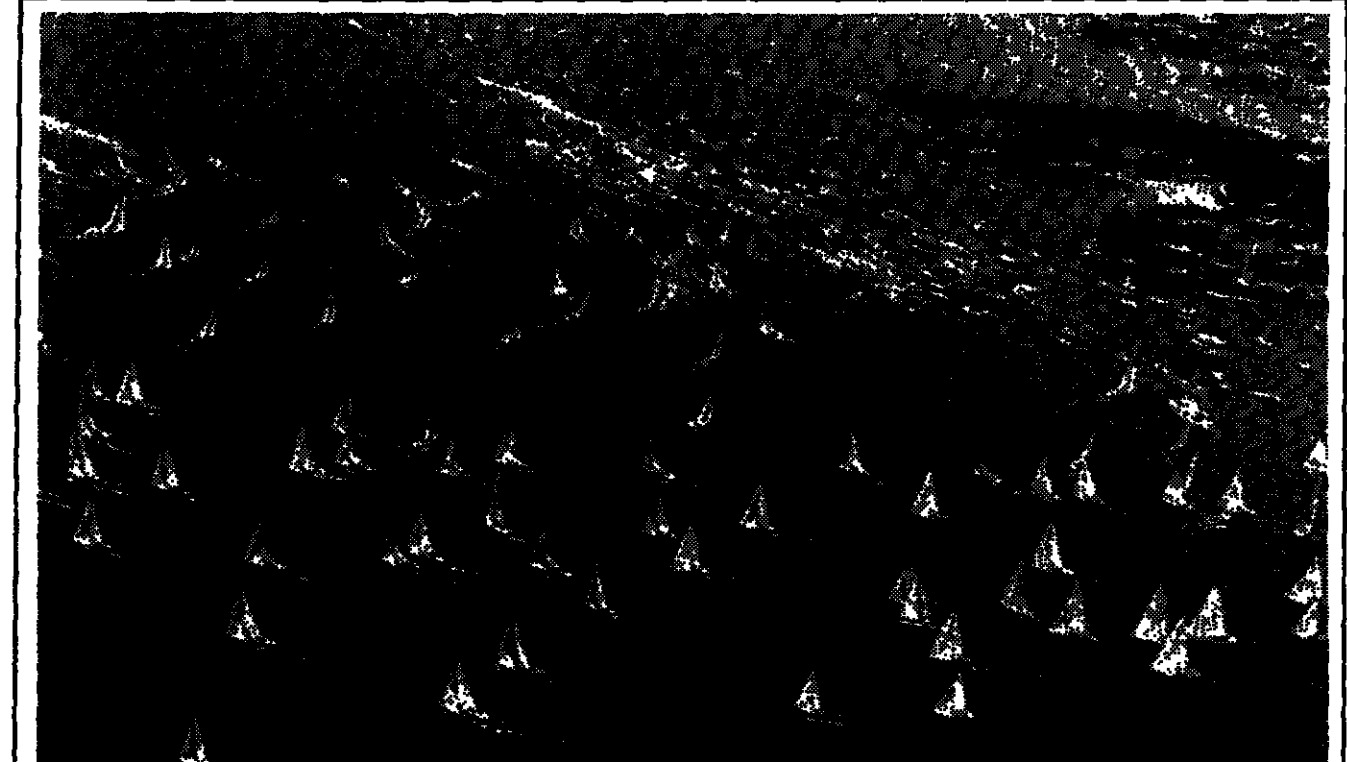
Table with columns for Hockey NHL Standings, Wales Conference, and Campbell Conference. Lists teams like Philadelphia, NY Islanders, and Montreal with their records.

Table with columns for U.S. College Results, SATURDAY'S RESULTS, and TOURNAMENTS. Lists various college sports events and winners.

Table with columns for Football NFL Standings, American Conference, and National Conference. Lists teams like Dallas, Houston, and Cleveland with their records.

Table with columns for European Soccer, ENGLISH FIRST DIVISION, and other soccer leagues. Lists teams like Arsenal and Manchester United.

Table with columns for College Bowl Games, DECEMBER 27, and DECEMBER 28. Lists various college bowl games and their results.



Maxi Yacht Sovereign on Target to Break Sydney-Hobart Record
Having led the fleet out of Sydney Harbor (above) on Saturday, Sovereign, the world's biggest maxi yacht, neared the halfway mark of the 630-nautical mile Sydney-to-Hobart race Sunday on target for a course record.

Baseball Owners Play Wait-and-Save Game

By Murray Chass
NEW YORK — Ever desirous of reducing player payroll, baseball team owners seemed to have developed another element for their strategy a year ago when they played what might be called the "nontender" game.



LANGUAGE

Frank Smiles of a Summit Night

By William Safire
WASHINGTON — The world's ears were poised. As Ronald Reagan and Mikhail Gorbachev stepped into the rain to say farewell after a new summit, the diplomatic words that would signal genuine progress in super-power relations would be fruitful and productive.

"The important count is not how many votes there will be" for the treaty, said Senator Alan Cranston, Democrat of California. "But how many votes there will be to withdraw the treaty."

Minister Thatcher put forward a proposal to finance the costly issue of Star Wars testing and announced, "I have the impression it is not only being considered, but has been talked about quite a bit."

One location chosen by Gorbachev was obscure but not incorrect: "History has charged the governments of our countries... to undo the logic of the arms race. Here logic was used in its negative sense, as 'something inevitable' when this pejorative meaning is intended, as in the logic of war, the word means 'a forced decision, independent of reason.'"

On the subject of White House efforts to encourage Senate ratification, Senator James A. McClure, Republican of Idaho, said, "I'm not feeling pressure; I'm feeling passion."

What's the difference between passion and persuasion? A matter of degree: the Latin prefix per-means "through" or "thoroughly," as in perfect. Thus, passion is the act of urging or exhorting (moral suasion), while persuasion is the act of counseling to the point of inducing belief or action (hidden persuasion).

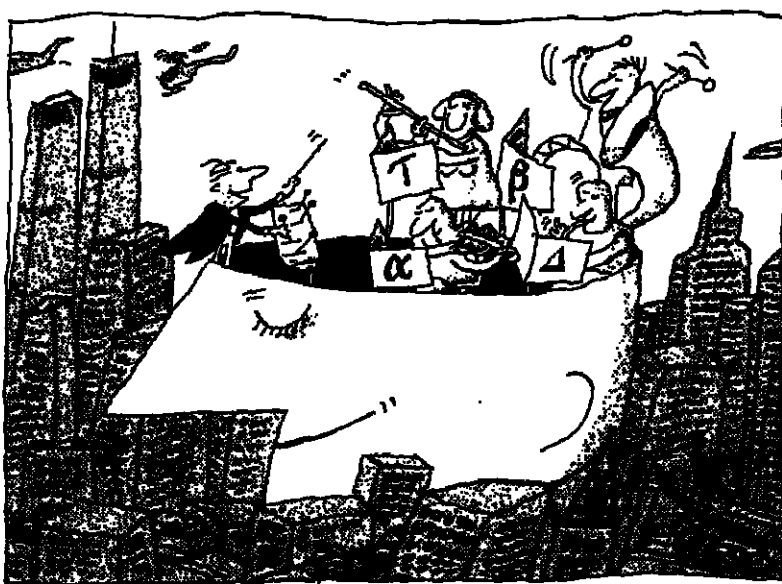
Reagan once-upped his Western ally, Margaret Thatcher, on the issue of parallel construction. As Gorbachev stopped off in Britain on his way to Washington, Prime

Minister Thatcher put forward a proposal to finance the costly issue of Star Wars testing and announced, "I have the impression it is not only being considered, but has been talked about quite a bit."

Reagan once-upped his Western ally, Margaret Thatcher, on the issue of parallel construction. As Gorbachev stopped off in Britain on his way to Washington, Prime

Meditation, and a Tan, Without Pain

NEW YORK — Right here in the middle of what the artist Red Grooms called Nervous City is the Tranquility Center and in a dim room decorated in light crystals and rows of floor mats is a Synchro-Energizer. This is a machine ideal for New Yorkers. It brings instant calm to those who haven't time to meditate.



Masha Asasi/International Herald Tribune

The Synchro-Energizer doesn't actually replace meditation but gives the same effects more quickly, which is even better. "I would say that with regular use it would give the equivalent of twenty years of meditation," says Christine Zerer, the sweet-faced young woman who runs the machine.

and the improvement of memory, intelligence, creativity and muscle tone. It may also kill pain in the dentist's chair. The University of Illinois is studying the use of the machine in the fields of sports performance and gerontology, the University of Iowa in education and accelerated learning.

by telephone, "but it puts you in the same state. We have a lot of people who would like to meditate but are too anxious to be able to." Which sounds like a definition of most New Yorkers. Christine at the Tranquility Center says she gets cabdrivers, quarrelsome spouses and investment bankers shaken by the recent unpleasantness on Wall Street.

MARY BLUME

the only person in the city with a big machine that takes up to 32 people at once. Group sessions cost \$10 a person and have been available at the Tranquility Center since last month.

The aim of the treatment is to stimulate or soothe various parts of the brain, increasing the relaxing theta waves and calming the very active beta waves. The alpha, beta, theta and delta waves are being put in a synchronous pattern, Christine explains at the machine's control panel.

It sounds grand but meanwhile, back in Nervous City, an experiment is being carried out. The guinea pig is one of New York's most nervous writers who dons the goggles and headset with utmost reluctance and then after 20 minutes of having her theta waves tickled leaps from her mat with the cry, "It's wonderful, totally relaxing. I don't even know what I was thinking! My headache left and my fingers are all working and I didn't get blind. It's very clearing all the feathers and bits of rust went out of my brain!"

survival and not in personal growth and so it is suitable that the Tranquility Center has the drab and dingy air that is definitely part of this year's Manhattan look (a new restaurant was just praised by an architecture magazine for featuring bins of dirty dishes as part of its decor). The mats people lie on, with their reminders of school-time naps, further instill a sense of calm.

At the University of You, Randy says, customers enter a lavender, orchid and purple reception hall decorated in metaphysical neo-Art Deco style. Passing the reflection room and the automated message tables, they enter the Synchro-Energizer room with its 32 customized lounges and, in the center, a 12-foot-tall Egyptian obelisk hand-crafted by Tandy to conceal a woofer providing subsonic vibrations.

JOBS... JOBS... AVAILABLE IN INTERNATIONAL POSITIONS INSIDE EACH THURSDAY'S INTERNATIONAL HERALD TRIBUNE

MOVING ALLIED WORLDWIDE MOVING PARIS, NICE, FRANKFURT, LONDON, AMSTERDAM

INTERNATIONAL CLASSIFIED

REAL ESTATE TO RENT/SHARE, AUTO SHIPPING, LEGAL SERVICES, LOW COST FLIGHTS, HOTELS, DIVORCE IN 24 HOURS, ACCESS VOYAGES

INTERNATIONAL CLASSIFIEDS on the Back Page Tuesday, International Secretariat Positions; Wednesday and Thursday, too, International Business Message Center

REAL ESTATE TO RENT/SHARE, EMBASSY SERVICE, YOUR REAL ESTATE AGENT IN PARIS, FRENCH POSITIONS TO RENT/SHARE

International Business Message Center

ATTENTION EXECUTIVES, BUSINESS OPPORTUNITIES, BUSINESS SERVICES, OFFSHORE COMPANIES, INTERNATIONAL OFFSHORE COMPANY INCORPORATIONS

Beam your classified message to 164 countries for only \$12.00 a line You can reach an affluent worldwide audience of over a third of a million International Herald Tribune readers...

in the International Herald Tribune. Mail the coupon to your nearest International Herald Tribune office. PARIS: 181 Avenue Charles-de-Gaulle, 92021 Neuilly Cedex, France

BECKER JUWELIERE & UHRMACHER Steel and 18K Gold, water resistant 200 m DISCOVERY

Vertical sidebar text on the right edge of the page, including 'Kiosk', 'Beam your classified message to 164 countries', and 'in the International Herald Tribune'.